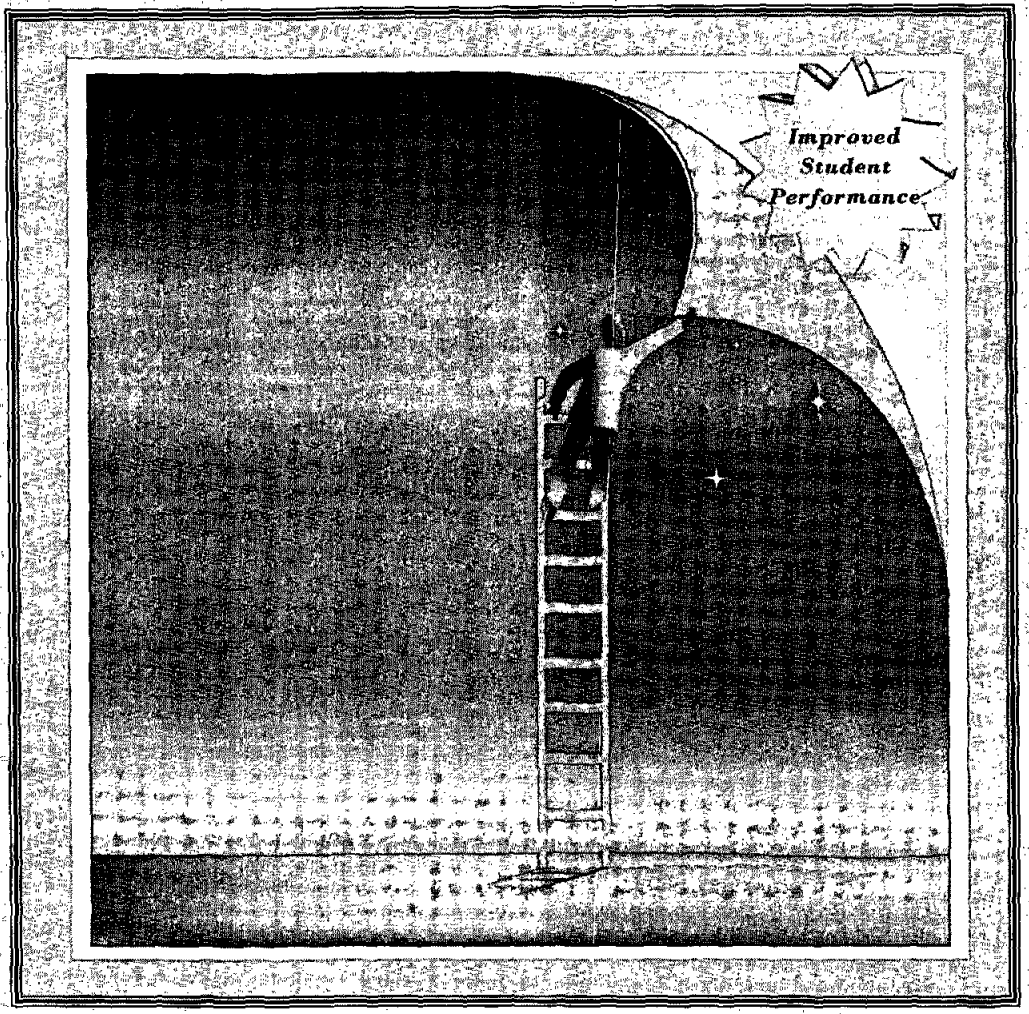


lafourche parish school board



*Comprehensive Annual
Financial Report
June 30 2013*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JAN 08 2014

LAFOURCHE PARISH SCHOOL BOARD



Seated from left: Stella C. Lasseigne; Jo Ann Matthews (Superintendent); Rhoda Caldwell (President); Julie M. Breaux (Vice President); Ann Sanamo; Marian B. Fertitta. Standing from left: Al Archer; Larry Pitre; Gary Foret; Ronald J. Pere; Richmond Boyd, Jr.; Louis E. Thibodaux; Lawrence M. Mounic; C. Joey Duplantis, III; Dr. Gregg Stall; Dennis Jean Chiasson.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

***For Fiscal Year Ending
June 30, 2013***

LAFOURCHE PARISH SCHOOL BOARD

COMPREHENSIVE ANNUAL FINANCIAL REPORT

General Purpose Financial Statements

For the Year Ended June 30, 2013

With Supplemental Schedules

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LAFOURCHE PARISH SCHOOL BOARD

COMPREHENSIVE ANNUAL FINANCIAL REPORT

General Purpose Financial Statements

For the Year Ended June 30, 2013

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LAFOURCHE PARISH SCHOOL BOARD

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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For the Year Ended June 30, 2013
With Supplemental Schedules

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Rhoda Caldwell, President

Jo Ann Matthews, Superintendent

Lafourche Parish School Board

BUSINESS DEPARTMENT

P. O. BOX 879
THIBODAUX, LA 70302-0879

PHONE: 985-435-4651
FAX: 985 435-4651

Or 435-4660

EMAIL: dgaudet@lafourche.k12.la.us

HOME PAGE: <http://lafourche.k12.la.us/>

Transmittal Letter

December 20, 2013

Members of the Lafourche Parish School Board
805 East Seventh Street
Thibodaux, Louisiana

The Lafourche Parish School Board has been required to issue a complete set of financial statements within six months of the fiscal year end. These statements have been prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Therefore, we have issued this comprehensive annual financial report of the Lafourche Parish School Board for the fiscal year ended June 30, 2013 in fulfillment of all report requirements.

MANAGEMENT REPRESENTATIONS

This report consisted of management's representations concerning the finances of the Lafourche Parish School Board. Consequently, management has assumed full responsibility for both the completeness and reliability of all of the information presented in this report. A reasonable basis for making these representations was based on a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the Lafourche Parish School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Lafourche Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. We have asserted, as management, to the best of our knowledge and belief, that the enclosed report is complete and reliable in all material aspects.

AUDITOR'S OPINION

The School Board's financial statements have been audited by Postlethwaite & Netterville, APAC, a firm of licensed independent certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Lafourche Parish School Board for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit,

that there was a reasonable basis for rendering an unmodified opinion that the Lafourche Parish School Board's financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent audit report is presented as the first component of the Financial Section of this report.

The independent audit of the financial statements of the School Board was part of a broader federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements required the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports were included in the Single Audit part of the Financial Section.

GAAP required that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter was designed to complement MD&A and should be read in conjunction with it. The School Board's MD&A can be found immediately preceding the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The School Board was a legislative body authorized by Louisiana Revised Statute 17:51 to govern the public education system of Lafourche Parish, Louisiana. The 15 members on the board are elected and serve four-year concurrent terms. The main function of the School Board has been to provide a full range of services appropriate for students in grade levels ranging from pre-school through 12. Services were also provided to students whose education experience has been interrupted to assume adult roles and responsibilities. The services provided include regular and enriched academic instruction, special instruction for children with disabilities, as well as vocational instruction. Other services such as assessment, library, transportation and food services have been provided to augment the primary services or to promote the welfare of the students. This report includes all funds of the School Board.

This report excluded the financial information for the other units of parish government, such as the parish council and the municipalities, because they have independently elected parish officials or because the School Board had no oversight responsibility. The School Board has been authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine the local supplement to their salaries. Accordingly, the School Board was not included in any other governmental reporting entity since the School Board members were elected by the public and have decision-making power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

MANAGEMENT'S GOALS AND ACCOMPLISHMENTS

The financial information contained in this Comprehensive Annual Financial Report (CAFR) must be prefaced by what management was trying to accomplish. The following discussion contains excerpts from the School Board's strategic plan to indicate how management sets its priorities and the results of the state's assessment of the district's schools.

Mission Statement: Lafourche Parish Public Schools strive to offer exemplary academic, career, co-curricular and extra-curricular programs to develop in all students a strong sense of responsibility, citizenship, and respect for others in a safe and nurturing environment.

Vision Statement: Lafourche Parish Schools are committed to helping all students become lifelong learners, realize their full potential, appreciate the relevance of their education, and become empowered for success.

Belief Statements

1. Education is the first priority.
2. All children can learn.
3. Open and honest communication builds trust.
4. High expectations must be set for everyone.
5. Efficient and effective fiscal management is imperative.
6. Collaboration with parents and community agencies reduces barriers to learning.
7. Early childhood programs enable students to come to school prepared to learn.
8. Shared decision-making and accountability enhance school effectiveness and increases student achievement.

A copy of the Parish's Five Year Strategic Plan: 2012 – 2017 can be obtained by visiting <http://www.lpsd.k12.la.us>. It is under the School Board tab District Policies option.

State Assessment of Student Performance: The ultimate test of the effectiveness of the School Board's schools is the achievement of its students. Louisiana measures school and district performance based on factors such as student performance scores, attendance and number of drop outs. According to the state's accountability program, three schools were rated *A*, 18 were rated *B* while the remaining nine were rated *C*. No schools were rated below *C*. There were fifteen schools that raised their letter grades at least one level. On the district level, the School Board was ranked 15th highest in the state based on school performance scores, while it was ranked 45th lowest in expenditure per student for the same time period.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment with which the School Board operates.

Local Economy: The School Board operated within the boundaries of Lafourche Parish located in South Louisiana approximately 50 miles west of New Orleans, which was the largest metropolitan area of the region. The 1,085 square mile parish is crisscrossed by LA

Highways 1, 20, 24, and 308 and by U. S. Highway 90. Also, Burlington Northern Santa Fe has maintained and operated the railroad infrastructure in the Parish. The U. S. Census has included the Parish as part of the Houma-Bayou Cane-Thibodaux Metropolitan Statistical Area.

The Parish continues to experience growth in its population According to the 2010 U. S. Census, the parish had a population of 96,318, which represented a 7.5% increase over the 2000 Census results. The 2012 and 2011 population counts were 97,209 and 96,931 respectively according to the U. S. Department of Commerce: Bureau of Economic Statistics. The Parish also has seen per capita income growth. The per capita personal income levels for 2012 and 2011 were \$46,465 and \$44,598 respectively according to the Bureau of Economic Statistics.

The status of the Parish's labor market had mixed results during the 2013 fiscal year. Total employment has been improving with the 2012 and 2011 totaling 47,029 and 46,659 respectively according to the U. S. Department of Labor: Bureau of Labor Statistics. The unemployment rate for 2012 and 2011 was 4.4% and 5.2% respectively according to the Bureau of Labor Statistics. The Parish compares favorably with the State and U. S. in both categories. Total employment as of October 2013 for Lafourche, Louisiana and the U. S. were 48,353 (+0.9% from 2012), 1.98 million (-1.1%) and 155.78 million (+0.1 %) respectively. The unemployment rates as of October for Lafourche, Louisiana and the U. S. were 4.1% (+0.2 from 2012), 6.1% (+0.4) and 7% (-0.5).

The future of the Parish's labor market is bright. According to the 2014-15 *Louisiana State Economic Outlook* the Houma/Thibodaux MSA will have a 2.6% job growth over the next two years. The region is at its all-time employment record according to Dr. Lauren Scott's, interview with The Courier (October 18, 2013). Dr. Scott is one of the economists responsible for the production of the *Louisiana State Economic Outlook*.

The largest segment of the economy was the oil and natural gas extraction industry but there are other aspects to the economy. LOOP, an offshore port, could offload tankers weighing up to 700,000 deadweight tons in 115 feet of water. The facility had six 600,000 barrel tanks and eight underground caverns with a total storage capacity of 50 million barrels. The port also operated a 53 mile, 48 inch pipeline that connected to a 40 inch pipeline which gives it access to 50 percent of the U. S. refinery capacity. Dow Jones Newswires reported in March 2011 that Port officials were asking permission to add 3.6 million barrels of storage capacity. Additional information about LOOP can be found at <http://loopllc.com>.

The Port Fourchon located on 3,600 acres at the mouth of Bayou Lafourche was utilized by 250 companies helping furnish the country with 15-18% of the country's entire oil supply. About 270 large supply vessels were serviced by the port with a cargo of about 38 million tons. Over 1,200 trucks traveled in and out of the port daily. Half of the drilling activity in the Gulf of Mexico and 75 percent of the deep water production was serviced by the Port. The Port also had a general aviation airport that sat on 359 acres which is being modified to handle single-engine aircraft to twenty-passenger business jets. Additional information about the port can be found at <http://www.portfourchon.com>. Port Fourchon will have a \$26.6 million expansion in the coming year with an additional \$100 to \$250 million in projects

scheduled in 2014 according to an article in the October 18, 2013 issue of The Courier. The main participant in this expansion is Edison Chouest Offshore which is upgrading its CPort facility. Nautical Solutions, which had the highest taxable assessed value for the 2012 assessment year, is an affiliate of Edison Chouest Offshore.

Houston-based Gensis Energy has announced plans to construct a \$75 million oil transfer facility in Raceland. The facility, which encompass a 60 acre tract, will operate similar to LOOP according to a September 2, 2013 report by Carolyn Scofield of FOX8 News. The facility will off-load oil from train cars and then transfer the oil through pipelines to refineries outside the parish. Gensis is expecting to hire 40 to 60 workers for the Raceland facility.

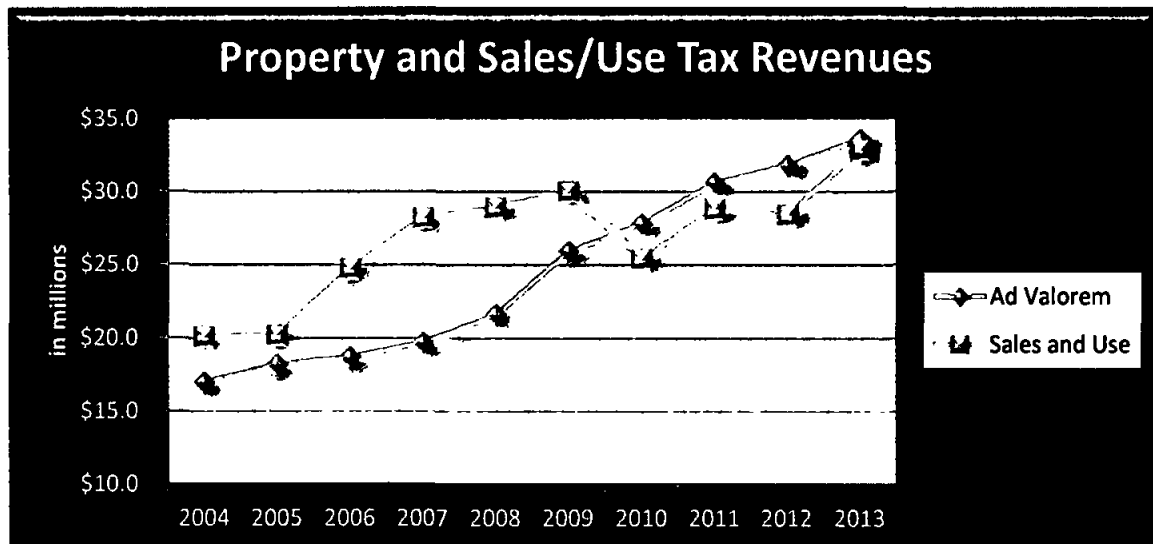
In addition to these segments, the parish had planting enterprises, mainly sugar cane (51.3% of segment total), with a 2012 gross annual value of \$72.1 million (+.07% from 2011). The wildlife and fishery enterprises segment, mainly marine fisheries (59.5% of segment), had added another \$39.4 million (+9.3%) to the Lafourche economy. The domestic animal enterprises segment, mainly cattle (81.4% of segment), had a gross annual value of \$14.7 million (+33.3%). Additional information concerning these segments can be found at <http://www.lsuagcenter.com/agsummary/home>.

Nicholls State University is located in the northern part of the parish on 287 acres. The University offered degrees in various disciplines such as Accounting/Finance, Education, and Mass Communication. A substantial segment of the School Board's instructional and non-instructional staff have degrees from Nicholls. The 2013 fall semester enrollment was 6,540 which was a decrease of about 1%.

The economy also included agricultural-implement manufacturing, shipbuilding and machine fabrication.

Louisiana Highway 1 is one of two highways that transverse the length of the parish and is vital to the industry in the parish. The Louisiana Department of Transportation and Development has been in the process of upgrading the portion of it in the southern part of the parish (<http://www.la1project.com>). Phases 1 A, B, C & D of the program which covers the construction of a replacement for the Leeville Bridge with interchanges, a toll facility and seven miles of two-lane elevated highway from the bridge to Port Fourchon have been completed. According to the LA 1 Coalition's July 2013 "*One to One*" E-newsletter (<http://www.la1coalition.org>), all rights-of-way for Phase 2, which covers the construction of a nine mile two-lane elevated highway from Leeville to Golden Meadow, have been obtained. LA 1 also indicated that the project has substantial backing from the Governor and Legislature.

The following is a graphic depiction of the two revenue sources most affected by local economic conditions.



The fiscal year 2013 growth in Sales Tax revenue of \$4.5 million was partially the result of a one-time collection of \$1.8 million collected at the end of the fiscal year. The School Board has experienced a 98.1% growth in ad valorem revenue since fiscal year 2004 and a 64.1% growth in sales tax revenue. This growth was achieved in spite of Hurricane events Rita/Katrina, Gustav/Ike and Isaac, and the BP oil spill.

Long-term financial planning: The School Board started a process in 1997 of adding and improving its facilities. The process began when the Transition Team was impaneled. At that time, one of the most important steps was for the Team to determine the optimum grade configuration for the students in the parish. After completing that task, The South Central Planning and Development Commission and various architects in conjunction with Business Department staff have developed and maintained a master facility plan. The goal of the process is to make sure that there is enough capacity to meet current needs with room for an expanding student body, and to make sure that those facilities optimize the learning experience for the students of the parish.

Lafourche Parish School Board
Transmittal Letter
December 20, 2013

The School Board has been successful in obtaining the voters of the parish to fund its ongoing process of adding and improving its facilities. The following table shows the status of those bond referendums:

YEAR	AUTHORIZED	ISSUED	UNISSUED	UNEXPENDED PROCEEDS
1997	\$ 44.4	\$ 44.4		
2003	50.0	50.0		\$ 4.8
2007	48.8	48.8		22.1
2012	50.0	18.0	\$ 32.0	16.5
TOTAL	\$ 193.2	\$ 161.2	\$ 32.0	\$ 43.4

Cash Management: The School Board had *Cash and cash equivalents* and *Investments* of \$125.1 million available as of June 30, 2013 which were classified as follows:

FUND	(in millions)		
	CASH AND EQUIVALENTS	INVESTMENTS	TOTAL
General	\$ (0.7)	\$ 9.6	\$ 8.9
2007 Construction	4.1	18.8	22.9
2012 Construction	17.0		17.0
Debt Service	1.5	20.6	22.1
Other Governmental	11.4	14.7	26.1
TOTAL STATEMENT C	\$ 33.4	\$ 63.7	\$ 97.0
Group Health	9.8	3.5	13.4
Loss Control	1.0		1.0
Workers Compensation	3.3		3.3
TOTAL STATEMENT G	\$ 14.2	\$ 3.5	\$ 17.7
School Activity	3.87		3.9
Sales Tax	6.55		6.5
TOTAL STATEMENT J	\$ 10.4	\$ -	\$ 10.4
TOTAL ALL FUNDS 2013	\$ 57.9	\$ 67.2	\$ 125.1
TOTAL ALL FUNDS 2012	\$ 52.3	\$ 67.1	\$ 119.4

The School Board had a policy of depositing funds in either interest bearing demand accounts or certificates of deposit in commercial banks secured by pledged securities and federal deposit insurance. The School Board also deposited funds in the Louisiana Asset Management Pool (LAMP), which provided a higher rate than certificates of deposit with a maturity of less than one year and had been safer than directly purchasing securities of the U. S. Treasury.

Total cash and equivalents increased by \$5.6 million during fiscal year 2013. The cash in construction funds increased by \$14.8 million mainly due to the sale of \$18 million of general obligation bonds which were authorized by the voters in 2012. Another \$4.6 million

was added due to the experience in the Group Health Insurance Fund. The balance was reduced by \$4.8 million from the activity in the Debt Service Fund, part of which was from the two refunding bond issues and part due to the reduction in the millage rate from 17.2 mills to 15.2 mills. The General and Sales Tax Reserved funds had a reduction in cash and equivalents of \$5.6 million mostly due to the fact that the Sales Tax Fund's (an agency fund) receivable increased by \$4.7 million, while the cash balance for agencies increased by \$3.5 million. Receivables increased by \$2.8 million, reducing available cash, mostly from the activities associated with the recovery from Hurricane Isaac. Finally, the balance was reduced by \$4.8 million from expected budget activity.

The following table has a breakdown of the types of assets included in the category *Investments*:

INVESTMENT TYPE	6/30/2013	% of Total	6/30/2012	% of Total
Cash Equivalents, Certificates of Deposit	\$3,000,000	4.5%	\$3,000,000	4.5%
Cash Equivalents, LAMP	6,229,764	9.3%	9,005,050	13.4%
Cash Equivalents, Other	411	0.0%	350	0.0%
Fixed Income, Federal	47,231,941	70.3%	43,011,378	64.1%
Fixed Income, LA Local	7,234,267	10.8%	7,050,502	10.5%
Fixed Income, LA State	515,014	0.8%	1,732,395	2.6%
Fixed Income, LA School District	2,988,025	4.4%	3,276,720	4.9%
TOTAL	\$67,199,422	100.0%	\$67,076,395	100.0%

The assets were managed by Argent Financial Group (<http://www.argentmoney.com/>), which based its selection on the School Board's investment policies and investment needs as expressed by School Board's management. The ratios of assets has changed with more emphasis on federal securities and with less emphasis on LAMP deposits, and state and local securities.

Risk Management: The School Board's self-funded group health insurance program had a self-insured retention of \$175,000 for each medical claim. The School Board used Blue Cross/Blue Shield for the TPA services. The restricted *Net Position* total in the Group Health Insurance Fund was \$9.5 million at June 30.

The School Board established a Loss Control Fund to better manage its non-workers compensation property and casualty perils. It maintained a \$150,000 deductible for general liability, and automobile fleet losses with a \$1 million limit per occurrence, and a \$2 million aggregate limit. The School Board used F. A. Richard and Associates for third-party administrative services for these programs. The School Board also has public officials' errors and omissions liability coverage with a \$50,000 deductible, catastrophic student accident coverage with a \$25,000 deductible, and an employee dishonest policy with a \$10,000 deductible. These are traditional insurance policies with only the deductibles and premiums funded through the Loss Control Fund. The School Board also had a building and contents policy with a \$250,000 (or 3% of loss whichever is greater) deductible for building

and content losses due to wind and hail (named storm), and a \$100,000 deductible for building and content losses from other perils. The School Board has secured three layers of reinsurance, each layer has a \$5 million limit. These programs are now accounted for using the Hurricane Recovery Fund and the Loss Control Fund. At June 30, the Loss Control Fund had a *Net Position* balance of \$1.9 million, while the Hurricane Recovery Fund had a zero fund balance.

The School Board provided workers compensation coverage for its employees using a self-insured retention of \$350,000 and a \$1 million limit for each workers compensation claim. The School Board used F. A. Richard and Associates for third-party administrative services for this program. The assets in this fund are also used to provide an employee assistance plan which provides employees with a variety of services meant to help employees resolve personal issues that could eventually have an effect on their job performances. The funds were also used to pay for employee medical screenings and flu shots for those employees without health insurance coverage, and for certain safety related improvements. The restricted *Net Position* for the Worker's Compensation fund reached \$2.5 million by June 30.

Disaster Recovery: Hurricane Isaac hit Louisiana on August 27, 2012 causing about \$2 million in damage to the School Board's facilities that had a net book value of \$108.9 million at June 30, 2013. The School Board has open Federal Emergency Management Act (FEMA) claims for both Hurricane Isaac (\$1.5 million) and Hurricane Gustav (\$742,500). The open claims are included in the 2013 *Accounts Receivable* balance of \$8.5 million.

ACKNOWLEDGMENTS

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Business Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

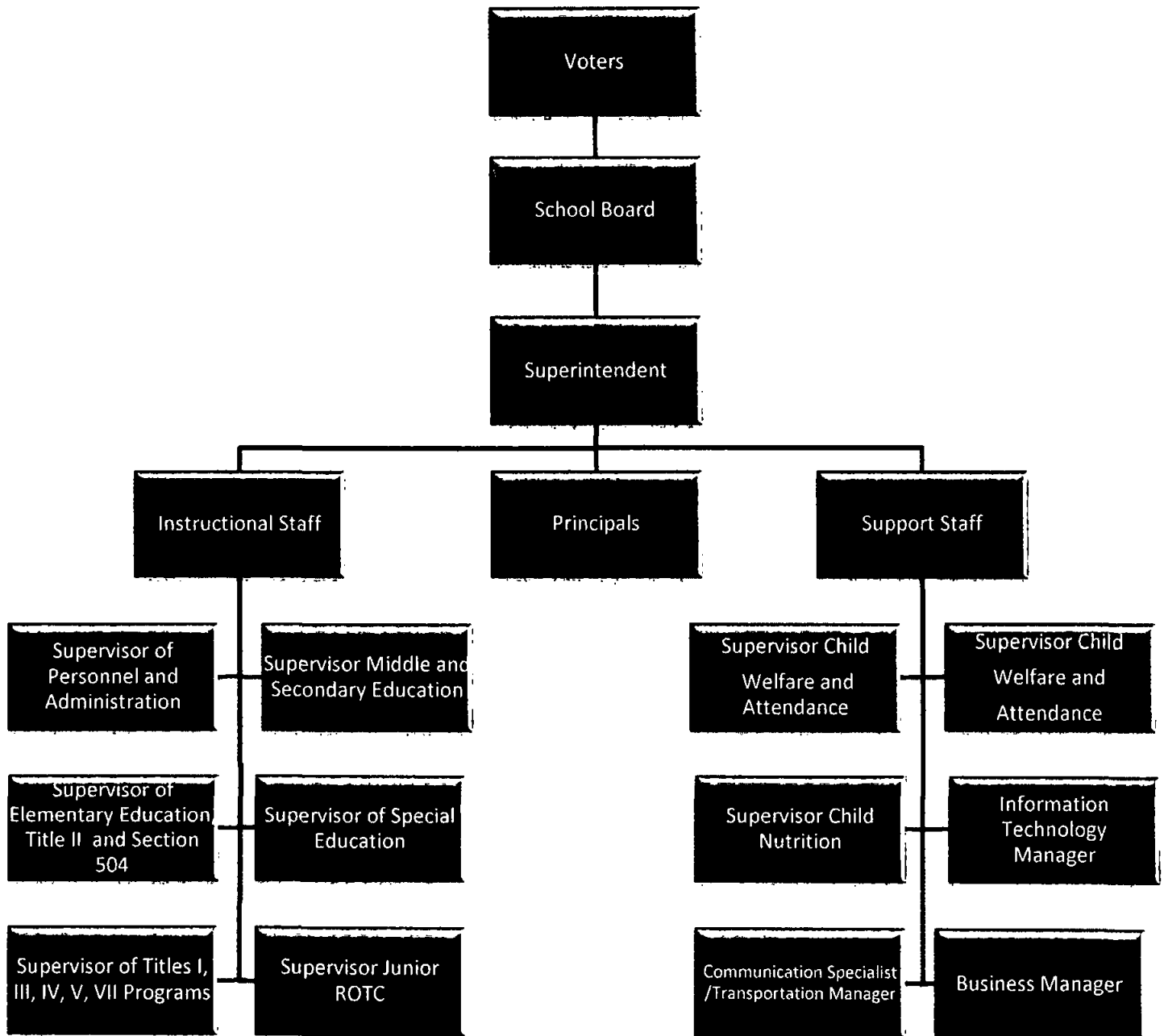
Sincerely,

Jo Ann Matthews
Superintendent

Don Gaudet
Business Manager

LAFOURCHE PARISH SCHOOL BOARD

Organizational Structure



LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Principal Officials

SCHOOL BOARD MEMBERS

DISTRICT

Louis E. Thibodaux.....	1
Rhoda Caldwell, President.....	2
Richmond Boyd, Jr.	3
Marian Fertitta	4
Stella C. Lasseigne.....	5
Dr. Gregg Stall.....	6
Gary Foret	7
Ronald J. Pere	8
Julie Breaux, Vice President.....	9
Dennis Jean Chiasson	10
C. Joey Duplantis, III	11
Ann Sanamo.....	12
Al Archer	13
Larry Pitre	14
Lawrence Mounic	15

ADMINISTRATORS

POSITION

Jo Ann Matthews	Superintendent
Dr. Louis Voiron, Jr.	Supervisor of Personnel and Administration
Aubrey "Bubba" Orgeron, Jr.....	Supervisor of Secondary and Middle School Education
Cynthia Eliser.....	Supervisor of Elementary Education, Title II and Section 504
Dr. Charles Michel.....	Supervisor of Special Education
Pamela Folse	Supervisor of Titles I, III, IV, V, VII
Lt. Col. Arthur Rice	Supervisor of Junior ROTC
Ray Bernard	Supervisor of Child Welfare and Attendance
Frank Pasqua.....	Supervisor of Child Welfare and Attendance
Lauren Fletcher	Supervisor of Child Nutrition Programs
William "Ben" Gautreaux.....	Information Technology Manager
Floyd Benoit.....	Communication Specialist / Transportation Manager
Don Gaudet	Business Manager

LAFOURCHE PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2013

FINANCIAL HIGHLIGHTS

This section has been presented to provide a narrative overview and analysis of the financial activities of the Lafourche Parish School Board for the fiscal year ended June 30, 2013. You, as the reader of these statements, are being encouraged to consider the information presented here along with the information that is furnished in the letter of transmittal. This section has been prepared to give you management's perspective of the information contained in the financial statements.

- ❑ The total of assets reported in the government-wide statements is \$252.4 million, which was \$11.0 million more than the total from preceding year. *Cash and cash equivalents* increased by 2.2 million, *Accounts Receivable* increased by \$2.5 million and the *Due from agency fund* increased by \$4.8 million.
- ❑ Total governmental fund revenues in 2013 were \$157.9 million, an increase of \$2.9 million. *Ad Valorem Tax* revenue increased by \$1.8 million, *Sales and Use Tax* revenues grew by \$4.5, while the state revenue (mostly the Minimum Foundation program) was reduced by \$2.5 million.
- ❑ Total governmental fund expenditures in 2013 were \$205.9 million which was a \$41.1 million increase over 2012. Most of the increase was from general obligation bond refunding bond issues.
- ❑ Governmental fund balances in 2013 were \$92.7 million compared to \$85.7 million in 2012. *Restricted* fund balances increased by \$5.1 million (mostly due to an \$18.0 million bond sale), while the *Unassigned* balance increased by \$1.8 million (because of the implementation of School Board policy DC *Annual Operating Budget* provision to use restricted funding first for expenditures that can be charged to either restricted or unassigned funds).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis has been presented to serve as an introduction to the Lafourche Parish School Board's basic financial statements. The School Board's basic financial statements have been divided into three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Other information has been added to the basic financial statements themselves to supplement them.

GOVERNMENT-WIDE FINANCIAL STATEMENTS: The government-wide financial statements were designed to provide readers with a broad overview of the Lafourche Parish School Board's finances, in a manner similar to a private-sector business. These financial statements employed the accrual basis of accounting.

The Statement of Net Position (Statement A) was constructed to present information on all of the School Board's assets, deferred outflows, liabilities and deferred inflows, with the difference among these reported as net position. Over time, increases or decreases in net position could serve as a

useful indicator of whether the financial position of the Lafourche Parish School Board is improving or deteriorating.

The Statement of Activities (Statement B) was constructed to present information showing how the government's net position changed during the most recent fiscal year in employing the accrual basis of accounting. All changes in net position were reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses were reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements of the Lafourche Parish School Board have presented only functions principally supported by taxes and functions of the intergovernmental revenues (governmental activities). The School Board did not have any functions that are intended to recover all or a significant portion of their cost through user fees and charges (business type activities).

The government-wide financial statements included only Lafourche Parish School Board itself (known as the primary government). The School Board does not have any component units that need to be reported separately from the financial information of the primary government.

FUND FINANCIAL STATEMENTS: The fund presentation grouped related accounts that were used to maintain control over resources that have been segregated for specific activities or objectives. The Lafourche Parish School Board, like other state and local governments, used fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board were divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds were used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements employed the modified accrual basis of accounting which focused on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds was narrower than that of the government-wide financial statements, it was useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet: Governmental Funds (Statement C) and the Statement of Revenues, Expenditures, and Changes in Fund Balances: Governmental Funds (Statement D) provided a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Lafourche Parish School Board maintained 38 individual governmental funds. Information has been presented separately in the Balance Sheet: Governmental Funds (Statement C) and in the Statement of Revenues, Expenditures, and Changes in Fund Balances: Governmental Funds (Statement D) for the General, the 2007 Construction, the 2012 Construction, and the Debt Service Funds, all of which were considered to be major funds. Data from the other 34 governmental funds

has been combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds has been provided in the form of combining statements elsewhere in this report.

The School Board adopts an annual appropriated budget for its governmental funds. The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual (Statement F) is a budgetary comparison statement that has been provided for the government to demonstrate compliance with this budget.

Proprietary funds. The Lafourche Parish School Board maintained three proprietary type funds. The School Board used these internal service funds as accounting devices to accumulate and allocate costs internally among the School Board's various functions for its self-funded workers compensation, property and casualty perils, and group health insurance programs. Because the services predominantly benefited governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

The proprietary fund statements have provided the same type of information as the government-wide financial statements, only in more detail and employed the accrual basis of accounting. Statements G, H and I are the proprietary fund financial statements that provided separate information for the Workers Compensation, Loss Control and Group Health Insurance Funds.

Fiduciary funds: Fiduciary funds have been used to account for resources held for the benefit of parties outside the government. Fiduciary funds were not reflected in the government-wide financial statement because the resources of those funds are not available to support the Lafourche Parish School Board's own programs. The School Board is the sales and use tax collection agent for itself and seven other governmental entities, which are processed using the Sales Tax Agency Fund. The School Board also maintains 28 funds to account for the resources generated at the school level. The *Net Position* for the Sales Tax Agency and the School Activity Agency funds are included in Statement J.

Notes to the financial statements. The notes are presented to provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, the report has provided additional information. Schedules 1 through 6 were presented to provide the combining statements referred to earlier in connection with non-major governmental funds. Schedule 7 was included to present information concerning board member compensation that was required by the state. Finally, Schedule 8 has been included to present the schedule of federal assistance required as part of the "Single Audit".

Presentation changes. The School Board has implemented provisions of GASB Statement 63 *Financial Reporting of Deferred Outflows of resources, Deferred Inflows of Resources and Net Position*. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources.

In addition to GASB Statement No. 63, the School Board has also implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* effective fiscal year 2013. This standard

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provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources, required by GASB Statement No. 63, as applied to the governmental fund statements.

It has also chosen to accrue interest on general obligation bonds payable. As a result of these changes, certain balances that had been reported in the 2012 CAFR have been restated.

See note II. *Restatement of Certain Prior Year Financial Statement Balances* for additional detail concerning the effects of the changes in financial statement presentation.

Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* is effective for the School Board for the fiscal 2015 year. This standard will require, among other things, the School board recognize a liability for its proportionate share of the net pension liability, as defined by the standard, of the defined benefit pension plans presented in note VI.D. *Employee Retirement Systems*. The impact to the School Board's net position is expected to be significant.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This section has been included to present the analysis of the School Board's financial operations using the government-wide perspective. The following has been summarized from Statement A *Statement of Net Position*:

CATEGORY (\$ millions)	6/30/2013	6/30/2013	INCREASE (DECREASE)
Current and other assets	\$ 132.8	\$ 123.2	\$ 9.6
Capital assets	119.6	118.2	1.4
Total assets	\$ 252.4	\$ 241.4	\$ 11.0
Deferred loss from bond refundings (net of amortization)	2.5	0.1	2.3
Total Deferred Outflows	\$ 2.5	\$ 0.1	\$ 2.3
Current and other liabilities	26.2	25.6	0.5
Non-current liabilities	170.4	150.3	20.1
Total liabilities	\$ 196.5	\$ 175.9	\$ 20.6
Net invested in capital assets	56.6	46.1	10.5
Restricted	43.6	52.3	(8.7)
Unrestricted	(41.8)	(32.7)	(9.1)
Total net position	\$ 58.4	\$ 65.6	\$ (7.2)

There were three causes for the majority of the \$9.6 million change in the *Current and other assets* category. First, *Cash and cash equivalents* was \$47.5 million, up \$2.2 million from the prior year as previously noted in the *Cash Management* section of the transmittal letter. Next, *Accounts Receivable* grew by \$2.5 million from the activities associated with grants (\$804,200, mostly due from LA 4 grant program), from activities associated with hurricane recovery (\$1.5 million due from FEMA) and from activities associated with the School Board's health insurance program (\$354,700 governmental funds because of collections that were greater in July 2013 than they were in July 2012, including a \$1.8 million audit.

The *Capital Assets* balance grew by \$1.4 million because of two factors. First, it was increased by \$6.9 million because of the activities associated with the construction funds and the Air Conditioning Maintenance Fund. Second, the balance was reduced by \$5.6 million due to the charge for current depreciation.

The *Deferred loss from bond refundings (net of amortization)*, which grew by \$2.3 million, is a new category as previously explained. The increase was due to the refunding process that were completed in the 2013 fiscal year. There is more detail concerning these refunding bond issues in *Long-term Debt* section of this *Management's Discussion and Analysis* and in the note V.J. *Long-Term Debt*.

The \$0.5 million increase in the *Current and other liabilities* was mostly the result of two factors. The first factor was the *Accounts payable* increase of \$2.2 million, which mostly was the result of the activities in the construction funds and the proprietary funds. The second factors was the *Salaries, benefits and withholdings payable* category, which decreased by \$1.8 million due to changes related to personnel.

The increase in the *Non-current liabilities* category of \$20.1 million resulted mainly from two causes. *Premiums on bonds sold (net of amortization)* increased by \$3.7 million as a result of the bond refunding process. General obligation bonds increased by \$4.7 million due to the \$18 million bond sale, the two refunding bond issues and the regular principal payments. The second increase in this category was from the \$11.1 million addition to the balance of the accrued unfunded other post-retirement benefits that resulted from the provision of retiree health benefits sponsored by the School Board.

The increase in the *Invested in capital assets, net of related debt* category grew by \$10.5 million due to three factors. The first was the changes in the general obligation bonded debt, which were previously explained, that decreased the balance by \$4.7 million. The second was an increase of \$13.8 million that resulted from the activities in the construction funds with most of that increase due to the \$18 million bond sale. The third was the increase of \$1.4 million in the *Capital assets* category described earlier.

The *Restricted Net Position* category had a decrease of \$8.7 million. The main changes in the category were from the accrual of interest on general obligation bonded debt that reduced the balance by \$1.3 million, the debt service refunding bond issues and the decrease in debt service millage that caused the balance to be reduced by \$4.8 million, and the construction and hurricane recovery efforts that reduced the balance by \$3 million.

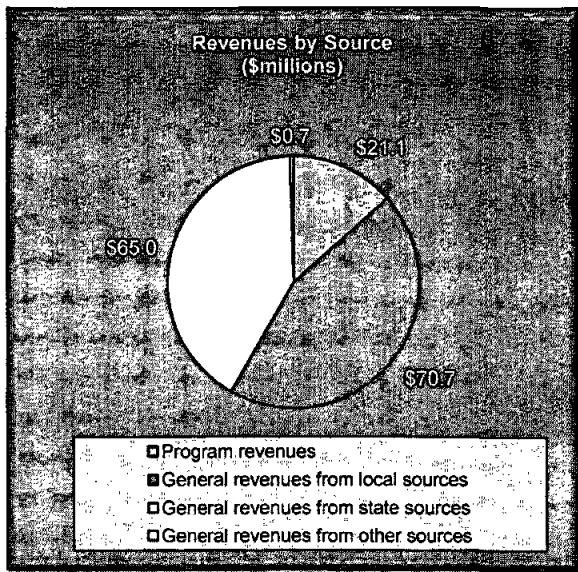
Unrestricted Net Position category was decreased by \$9.1 million because the current provision for other post-retirement benefits which decreased the balance by \$11.1 million, and was reduced by \$1.4 million because of the general obligation bond sales previously discussed. The balance was increased by \$2.0 million from activities in the funds included in the comprehensive budget, and it increased by \$2.1 million by the activities in internal service funds.

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The following information has been summarized from Statement B Statement of Activities:

Category (\$millions)	June 30, 2013	June 30, 2012	Increase (decrease)
Program revenues	\$ 21.1	\$ 21.2	\$ (0.1)
General revenues from local sources	70.7	65.2	5.6
General revenues from state sources	65.0	67.5	(2.5)
General revenues from other sources	0.7	1.2	(0.5)
Total revenues	\$ 157.5	\$ 155.0	\$ 2.5
Instructional expenses	80.2	83.7	(3.4)
Support service expenses	67.5	68.0	(0.5)
Food service operations	8.6	8.6	(0.1)
Debt service and other expenses	4.8	4.8	0.0
Appropriations to type 1 charter schools	3.6	2.1	1.5
Total expenses	\$ 164.7	\$ 167.2	\$ (2.5)
Changes in net assets	\$ (7.2)	\$ (12.2)	\$ 5.0
Net position - beginning	65.6	77.8	(12.2)
Net position - ending	\$ 58.4	\$ 65.6	\$ (7.2)

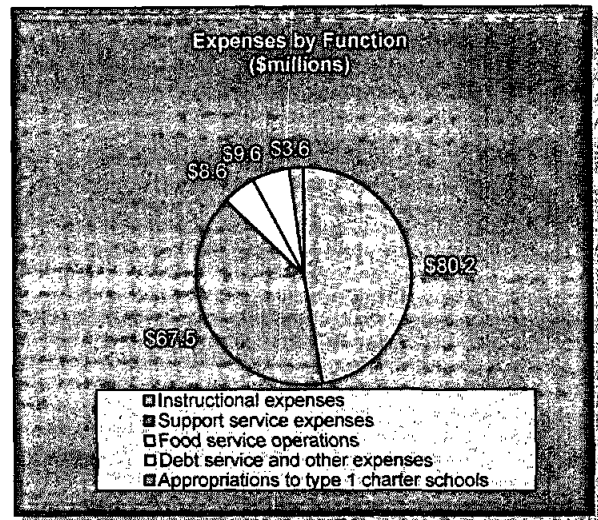
Revenues increased by \$2.5 million from the prior year. On the local level *Ad valorem* increased by \$1.8 million while *Sales and use taxes* increased by \$4.5 million both due to the economic conditions in fiscal year 2013. Also there was decline in *Earnings on investments* of \$0.3 million due to interest rate conditions, and a decline of \$0.2 million in *Rentals, leases, royalties* because the wells location on the School Board's property are maturing, and a reduction of \$0.3 million in the *Other local* category due to e-rate allocation.



On the state level, the Minimum Foundation Formula allocation was reduced by \$2.5 million due to the equalization mechanism in the formula, i. e. the School Board became relatively richer.

The decrease in the Other Revenue category is due to a charge for the undepreciated carrying value of certain disposed assets.

Expenses decreased by \$2.5 million in the fiscal year 2013. The next most significant change was the reduction in salaries of about \$3.4 million, which was partially due to the removal of the one-time supplement given in fiscal year 2012 (\$2.3 million) and partially due to grant activity (\$1.1 million). The activities in the construction funds reduced expenditures by \$2.1 million. The Hurricane Isaac recovery efforts added \$1.8 million to expenditures. The *Appropriations to type 1 charter schools* increased by \$1.5 million because of an increased enrollment in the Bayou Community Academy Charter School and because of the addition of the Virtual School of Lafourche, which began operations in the 2013 fiscal year. Finally, the increase in claims cost for the Loss Control Fund added about \$0.5 million to the expense total.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

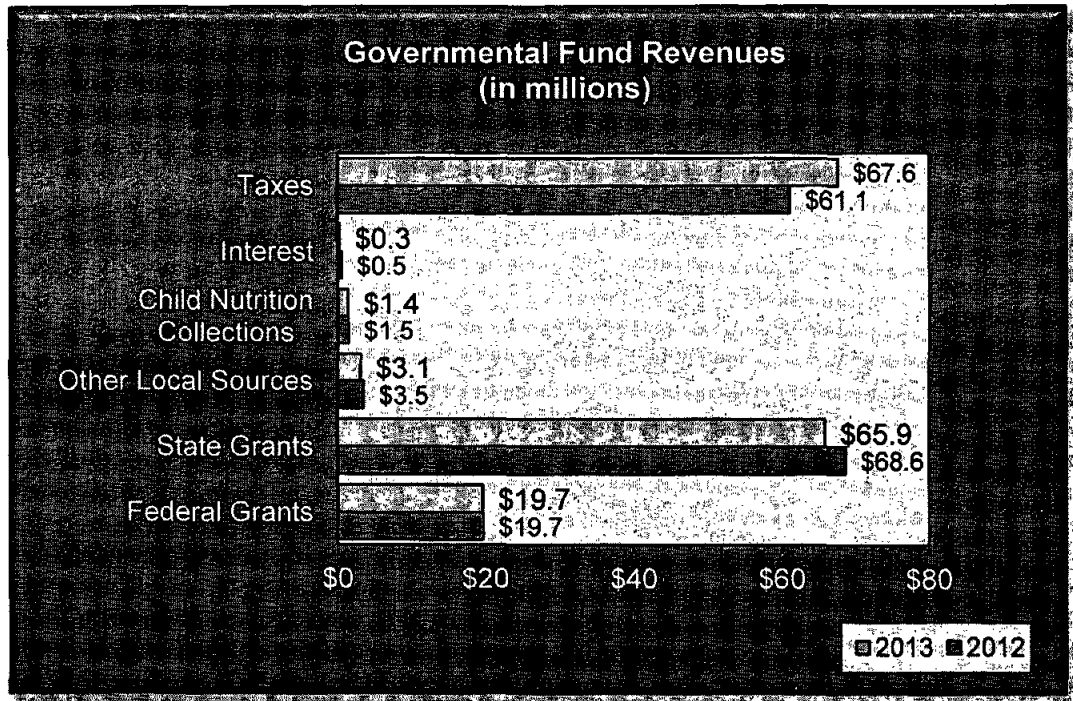
As noted earlier, the Lafourche Parish School Board used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Lafourche Parish School Board's governmental funds was to provide information on near-term inflows, outflows, and balances of spendable resources. Such information was useful in assessing the School Board's financing requirements. In particular, unassigned fund balance has served as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Most of the explanations for the changes in the *Balance Sheet for the Governmental Funds* was included in the discussion for the changes to the *Statement of Net Position*. However, there is one difference worth noting. Management had initiated various changes in the 2012 fiscal year that had a substantial effect on the governmental fund balance sheet presentation. Certain restricted fund balances were removed from the General Fund and established in separate funds. The decrease of about \$7.8 million in the *Interfund Payable* category was in connection with the 2012 fiscal year changes.

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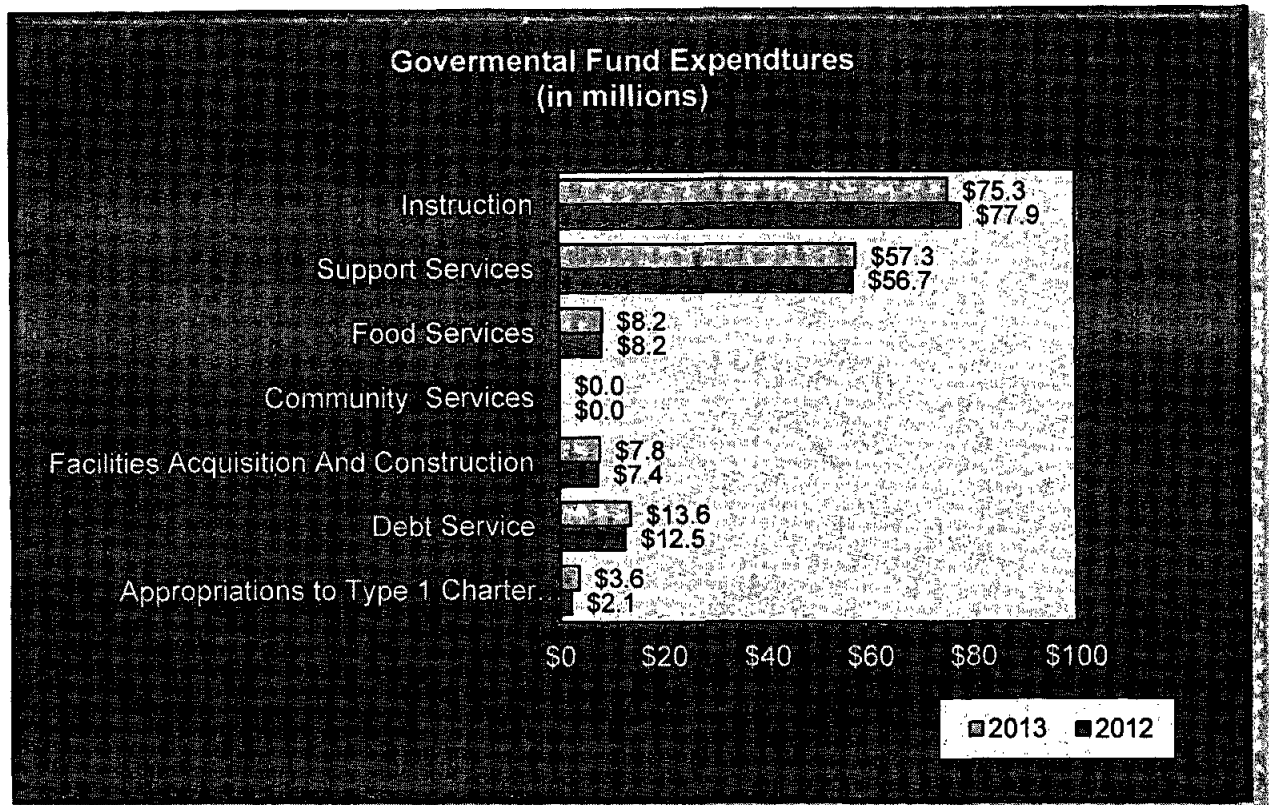
In the 2013 fiscal year, revenues were \$157.9 million which was a \$2.9 million increase from the 2012 revenues. The following graph was constructed using the revenue information presented in Statement D.



The explanations of the changes in governmental revenue were substantially the same as those stated for the changes contained in the government-wide financial analysis with the exception of the loss on disposal of capital assets which is not recognized in the *Fund Financial Statements*.

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Expenditures were increased by \$1 million to \$165.8 million in the fiscal year. The following graph was constructed using the information presented in Statement D:



The explanations included in the Government-wide analysis were the same for the Governmental Funds with a few exceptions. First, *Debt Service* expenditures were about \$1 million more in 2013 than in 2012 but only \$23,600 more in government-wide presentation. The increase was due to changes in the debt service payment schedules. Next, the Government-wide analysis noted a reduction of \$2.1 million due to construction fund activities, but in the Government Funds the decrease was only \$242,000. This difference was caused by the fact that the entire cost of capital assets are expenditures, but only the depreciation on those assets is an expense. Finally, expenses were increase by activates accounted for in the Loss Control Fund, however those costs are not included in the Governmental Fund presentation.

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Total Governmental fund balances at June 30, 2013 were \$92.7 million which was \$7.0 million more than for 2012 as shown in the following:

CATEGORY	6/30/2013	6/30/2012	INCREASE (DECREASE)
Restricted	\$ 83.8	\$ 79.5	\$ 4.3
Committed	3.0	2.8	0.2
Unassigned	5.9	3.4	2.5
TOTAL	\$ 92.7	\$ 85.7	\$ 7.0

The *Restricted* balance was increased by about \$4.3 million. The construction fund balances grew by \$14.1 million mostly due to the \$18 million general obligation bond sales previously discussed. It was reduced by \$4.8 million due to the bond refunding process previously discussed. The remaining decrease of \$2.2 million came from activities in the funds included in the comprehensive budget.

The *Committed* and *Unassigned* balances grew by \$2.7 million because of the activity in the funds included in the comprehensive budget. This decrease in *Restricted* and the increase in *Committed/Unassigned Fund* balances associated with the funds included in the comprehensive budget represents a change in philosophy regarding the use of restricted versus unassigned balances. The School Board has now implemented the provisions included in *DC Annual Operating Budget* that recommends that restricted funds be used if an expenditure could be applied to both restricted and unrestricted fund balances.

Proprietary Funds: The Group Health Insurance Fund ended its fiscal year with a *Net Position* balance of \$9.5 million which was about \$2.6 more than the previous year. *Intergovernmental insurance premium billings* increased by \$2.3 million and *Rebates and Subsidies* increased by \$364,800, while *Operating Expenses* only increased by \$302,000.

The Loss Control Fund had a *Net Position* balance of \$1.9 million at June 30, 2013 which was \$168,500 less than in 2012. The majority of the change was due to higher claims costs.

The Workers Compensation Fund ended with a *Net Position* balance of \$2.5 million, down \$316,400 from the prior year. *Intergovernmental insurance premium billings* increased by \$166,500 while *Operating Expenses* increased by \$218,000 (mostly due to increases in claims costs).

Fiduciary Funds: The School Board had two fiduciary funds that it uses to account for the assets it holds in trust. The School Activities Fund accounted for the funds that the individual schools control. At June 30, 2013, the schools had assets totaling \$3.9 million which was \$96,300 more than the 2012 fiscal year total.

The School Board also collected sales and use taxes for itself and the other tax levying authorities in the parish. At June 30, 2013, the fund had total assets amounting to \$18.3 million which was about \$9 million more than the 2012 total. The main reason for the asset increase was because a greater amount of collections was not distributed to the agencies at the end of the 2013 fiscal year than in the previous fiscal year.

GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year, there were no budget amendments. However, there was a significant change in the Debt Service Fund due to the bond refunding process. The refunding bond issues were not anticipated by management during the time period in which the budget was prepared. There are no further plans for such activity in the future.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The net balance in capital assets for the School Board at June 30 was \$119.6 million. The following has been presented to recap the capital asset balances.

CATEGORY (\$millions)	COST	ACCUMULATED DEPRECIATION	NET BALANCE	
			6/30/2013	6/30/2012
Land	\$ 2.3		\$ 2.3	\$ 2.3
Buildings and Improvements	173.9	\$ 64.9	109.0	110.9
Furniture and Equipment	9.0	6.3	2.7	2.7
Construction in Progress	5.6		5.6	2.3
Total	\$190.8	\$ 71.2	\$ 119.6	\$ 118.2

At June 30, 2013, the School Board had \$43.4 million in unexpended general obligation bond proceeds restricted for construction. See the discussion included in the *Long-term financial planning* section of the Transmittal Letter for further discussion of the facilities master plan.

Long-term Debt:

The following is a recap for the various types of long-term debt outstanding:

DESCRIPTION	6/30/2013	6/30/2012	INCREASE (DECREASE)
General Obligation Bonded Debt	\$ 101.9	\$ 97.2	\$ 4.7
Certificates of Indebtedness	2.9	3.1	(0.2)
Compensated Absences	7.6	6.8	0.8
Other Post-Employment Benefits	51.2	40.1	11.1
TOTAL	\$ 163.6	\$ 147.2	\$ 16.4

The discussion in the ensuing programs of this section will focus of the two largest segments of the long-term debt total; *General Obligation Bonded Debt* (62.3% of long-term debt), and *Other Post-employment Benefits* segment (31.3%).

The *General Obligation Bonded Debt* balance was \$101.9 million on June 30, 2013 while the related Debt Service Fund balance was \$21.9 million. Net bonded debt was 7.52% of total assessed property in 2013 down from value to 7.75% in fiscal year 2012, while the legal debt margin expanded from

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\$386.5 million to \$452.1 million. The legal debt margin grew because the growth in the ad valorem tax base exceeded the growth in general obligation debt.

The change of \$4.7 million is detailed in the following table:

DESCRIPTION	6/30/2013
Bonds sold	\$ 51.0
Principal refunded	(37.3)
Principal Paid	(9.0)
TOTAL	\$ 4.7

The results of the various bond sales completed during 2013 by the School Board are detailed in the following table:

ISSUE DATE	ORIGINAL ISSUE	INTEREST RATES	(in millions)		
			PREMIUMS ON BONDS SOLD	NET PRESENT VALUE OF SAVINGS	NET LOSS ON REFUNDING
Series 2012	\$18.0	2.89%			
Series 2012 refunding	18.3	2.55%	\$2.5	\$2.1	\$1.2
Series 2013 refunding	14.7	2.60%	1.4	0.6	1.2
TOTAL	\$51.0		\$3.9	\$2.7	\$2.4

Additional information about the bond refunding issues can be found in note IV.J *Long-Term Debt*.

The Board's bond rating from Moody's Investor Service is Aa3 as of November 2013.

The balance recognized for the *Other Post-Employment Benefits* liability at June 30, 2013 was \$51.2 million. The annual required contribution for 2013 was \$14.3 million while the increase in the recognized obligation was \$11.1 million. The amounts are based on the estimate of the unfunded actuarial accrued liability that was obtained as of July 1, 2011 in the amount of \$153.5 million. The School Board does not have any plans at this point to fund the balance of this accrual. Additional information is provided in note VI.C. *Post Employment Health Care and Life Insurance Benefits*.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The following table contains the summary for the 2014 Comprehensive Original Budget.

DESCRIPTION	ORIGINAL BUDGET JUNE 30, 2014	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND
Local Sources	\$ 73.1	\$ 27.2	\$ 33.7	\$ 12.2
State Sources	68.1	64.7	3.4	-
Federal Sources	14.4	0.2	14.2	-
Total Revenues	155.6	92.1	51.3	12.2
Instructional Services	79.0	70.8	8.2	-
Support Services	57.8	46.7	10.6	0.5
Food Service Programs	8.9	-	8.9	-
Community Service Programs	-	-	-	-
Facility Acquisition and Construction	3.4	0.1	3.3	-
Debt Service	13.5	0.4	-	13.1
Appropriations to Type I Charter Schools	3.7	3.7	-	-
Total Expenditures	166.3	121.7	31.0	13.6
Other Financing Sources (Uses)	-	27.8	(27.8)	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(10.7)	(1.8)	(7.5)	(1.4)
Beginning Fund Balance	49.8	5.4	22.5	21.9
Ending Fund Balance	\$ 39.1	\$ 3.6	\$ 15.0	\$ 20.5

Revenues are projected to be \$155.6 million for the 2014 fiscal year. The Ad Valorem Tax estimates have been increased by about \$1 million which is a 3% increase over the prior year collections. The average increase for the preceding nine years has been about \$1.8 million and the lowest percentage of growth being 3%. The pattern for Sales and Use Tax Collections is not as clear as the one for the Ad Valorem Tax Collections. The estimate has been increased by 4%, a growth rate that is well below the growth rates experienced in 2012 and 2013. The Minimum Foundation Program (MFP) revenue will be about \$339,000 less for the 2014 fiscal year. The 2014 formula was adopted by the Legislature before the final 2013 MFP had been calculated. The final 2013 MFP formula included a \$1 million mid-year adjustment.

Expenditures have been projected to total \$166.3 million for the 2014 fiscal year. Salaries have been increased by \$3.4 million mainly because of two School Board actions. The salary schedules for all certified and professional employees were changed in a manner that moved the schedule five steps up. The fifth step became the first step then all the other steps were likewise changed. Additionally, the first step of the Teachers Salary schedule was increased to \$40,000. This added about \$1.9 million of salaries to the General Fund's budget.

Another \$1.8 million of the changes in Salaries was the result of a one-time distribution set for November 2013 of \$1,200 for each certified/professional employee and \$600 for each support employee. These supplements are being funded by a one-time distribution from the State in the

amount of \$1.4 million and from the proceeds of a large audit. The goal of the five step change was to reset the base pay for all certified and professional personnel to facilitate the new accountability law which requires step increases to be given only if personnel maintain a certain level of proficiency. The one-time supplement was given to comply with the law that was used to authorize the \$1.4 million appropriation and to ensure that the School System keeps the morale of its personnel high so that the School Board can maintain its State district grade of B that it achieved with its current personnel.

Employee Benefits have been increased by about \$4 million partially as a result of the salary actions previously discussed which added about \$1.1 million to benefits. Benefits costs were also increased because the rates have been increased in the Teachers Retirement System of Louisiana (24.5% to 27.2%) and in the Louisiana School Employee's Retirement System (30.3% to 32.8%). These two rate changes accounted for \$2 million of change in employee benefits. Finally, about \$485,000 has been added to retiree health insurance expenditures to match the increases caused by employees retiring.

The tax rates, which have not been changed, will be effective for the 2014 fiscal year are as follows:

TYPE	RATE
Ad Valorem Tax	
Constitutional	3.63 Mills
Regular maintenance	7.49 Mills
Salary supplement	7.49 Mills
Air conditioning maintenance	7.49 Mills
Retirement supplement	2.00 Mills
Bond and interest	15.20 Mills
TOTAL	43.30 Mills
Sales and use tax	2.00%

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the Lafourche Parish School Board's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Don Gaudet, CPA, CGFO, CLSBA
Business Manager
Lafourche Parish School Board
P. O. Box 879
Thibodaux, LA 70302-0879
dgaudet@lafourche.k12.la.us

INDEPENDENT AUDITORS' REPORT

To the Lafourche Parish School Board
Thibodaux, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparison statements for certain major funds and the aggregate remaining fund information of the Lafourche Parish School Board (School Board), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the budgetary comparison statements for certain major funds and the aggregate remaining fund information of the School Board, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis located as referenced within the table of contents and the schedules of funding progress and employer contributions for the School Board's Other Post-Employment Benefit Plan located in the statistical section (table 12) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the schedule of compensation paid board members and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of compensation paid board members and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2013, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

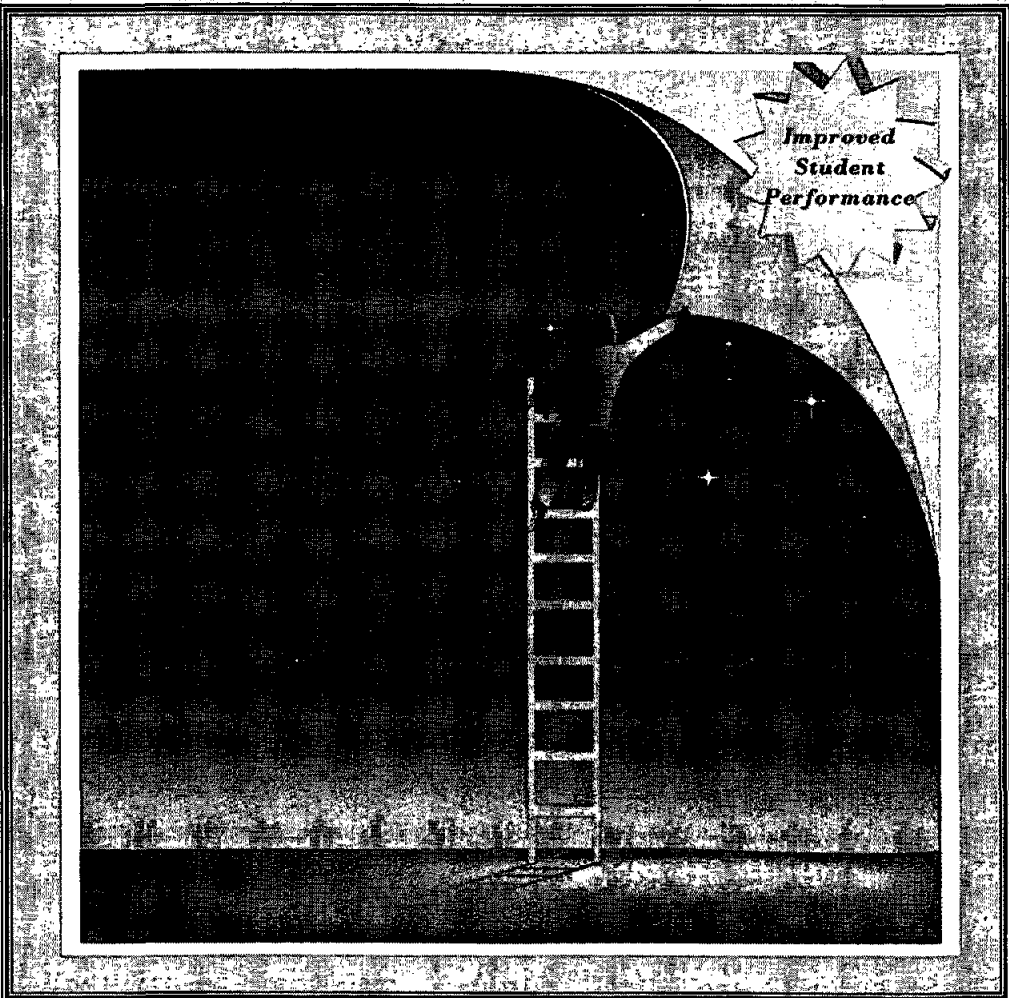
Postlethwaite + Netherwill

Baton Rouge, Louisiana

December 30, 2013



Government-Wide Financial Statements



LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Statement A

Statement of Net Position
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	
	6/30/2013	6/30/2012
<u>Assets</u>		
Cash and cash equivalents	\$ 47,522,768	\$ 45,356,036
Cash with fiscal agents	191,165	104,611
Investments	67,199,421	67,076,395
Receivables	8,450,696	5,969,681
Due from agency fund	7,246,692	2,492,227
Inventory, at cost	552,430	490,647
Prepaid insurance	1,650,554	1,679,536
Capital assets (net of accumulated depreciation)		
Land	2,341,916	2,341,916
Buildings and improvements	108,929,477	110,936,692
Equipment	2,759,342	2,658,642
Construction in progress	5,581,518	2,282,667
Total assets	252,425,979	241,389,050
<u>Deferred outflows of resources</u>		
Deferred loss from bond refundings (net of amortization)	2,473,515	142,875
Total deferred outflows	2,473,515	142,875
<u>Liabilities</u>		
Accounts payable	5,475,395	3,229,385
Contracts payable	54,945	133,697
Salaries, benefits and withholdings payable	15,342,119	17,170,650
Unearned revenue	2,680,508	2,664,528
Deposits due other or subject to refund	4,031	4,506
Estimated liability for outstanding self-funded claims	2,600,424	2,435,283
Non-current Liabilities		
Premiums on bonds sold (net of amortization)	5,471,732	1,737,144
Interest payable on general obligation bonds	1,349,106	1,459,065
Due within one year	9,732,269	9,141,425
Due in more than one year	153,826,971	137,956,625
Total liabilities	196,537,500	175,932,308
<u>Deferred inflows of resources</u>		
	None	None
<u>Net position</u>		
Net investment in capital assets	56,584,387	46,064,809
Restricted for:		
Salaries	9,545,357	10,909,351
Textbooks	1,605,802	1,708,799
Technology	499,392	356,079
Air-conditioning maintenance	4,169,280	6,532,668
School food service	2,718,464	3,038,111
Debt service	20,531,295	25,278,056
Capital projects	4,531,229	4,448,750
Unrestricted	(41,823,212)	(32,737,006)
Total net position	\$ 58,361,994	\$ 65,599,617

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

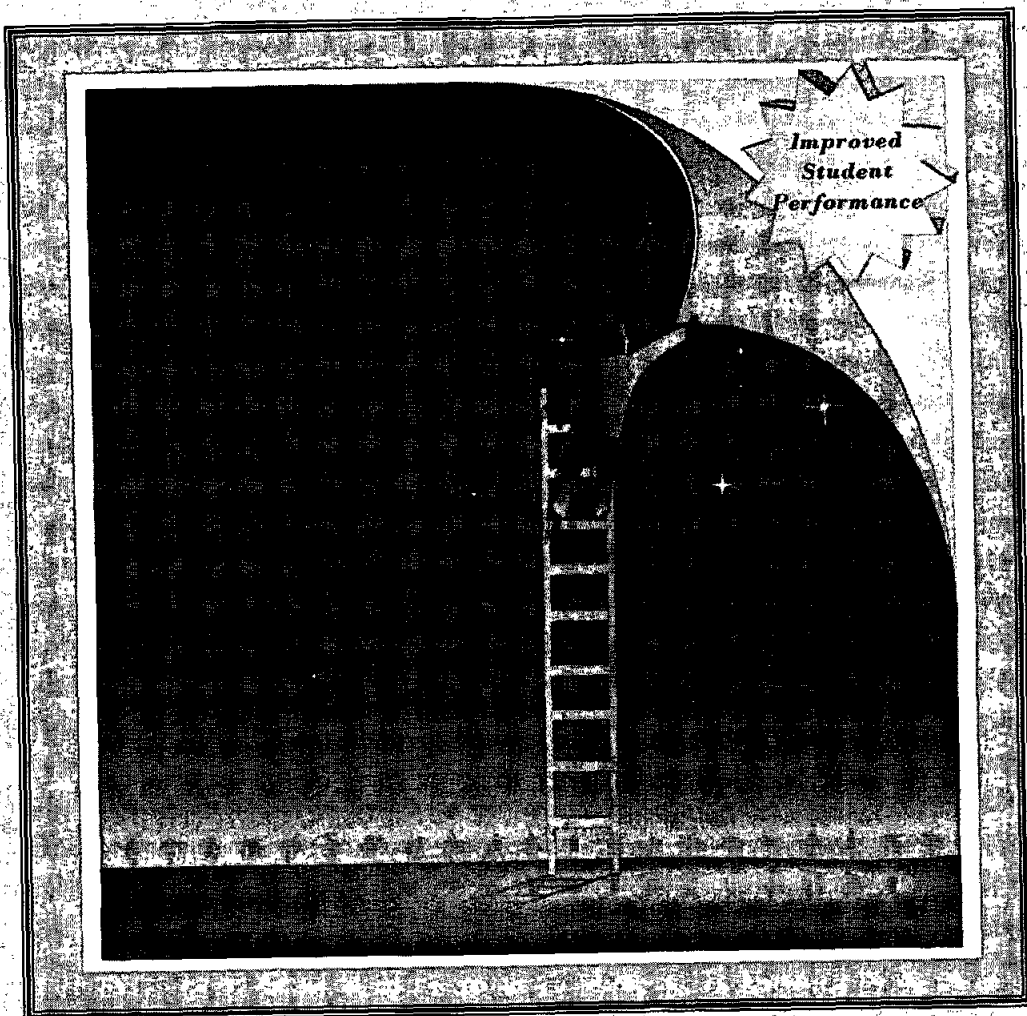
Statement B

Statement of Activities
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	EXPENSES	CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
				6/30/2013	6/30/2012
Instruction:					
Regular programs	\$ 52,739,983		\$ 550,027	\$ (52,189,956)	\$ (53,044,241)
Special programs	14,475,550		807,053	(13,668,497)	(15,305,031)
Other programs	13,032,143		7,033,371	(5,998,772)	(6,534,231)
Support services:					
Pupil support	13,705,412		1,895,406	(11,810,006)	(10,488,621)
Instructional staff support	6,738,672		2,532,750	(4,205,922)	(2,649,278)
General administration	8,325,704		274	(8,325,430)	(11,568,977)
School administration	8,704,233			(8,704,233)	(8,539,043)
Business services	1,699,249		168,772	(1,530,477)	(1,507,410)
Operation and maintenance	16,126,111		1,678,726	(14,447,385)	(14,007,606)
Pupil transportation	8,008,708		187,551	(7,821,157)	(7,764,659)
Central services	4,193,245		16,139	(4,177,106)	(5,721,016)
Food service operations	8,558,777	\$ 1,408,135	4,806,866	(2,343,776)	(2,165,598)
Community service operations	12,560			(12,560)	(12,560)
Facilities acquisition and construction	382,705			(382,705)	(455,373)
Debt service:					
Interest and bank charges	4,418,837			(4,418,837)	(4,120,635)
Appropriations to type 1 charter schools	3,595,250			(3,595,250)	(2,130,704)
Total governmental activities	\$ 164,717,139	\$ 1,408,135	\$ 19,676,935	\$ (143,632,069)	\$ (146,014,983)
General revenues:					
Local sources					
Ad valorem taxes				33,630,054	31,756,717
Sales and use taxes				32,910,355	28,382,069
Earnings on investments				284,392	549,824
Rentals, leases, royalties				878,745	1,113,434
Other local				3,024,922	3,363,569
State sources					
Grants not specific to programs				64,543,411	67,027,456
Revenue in lieu of taxes				422,750	425,943
Revenue for or on behalf of LEA				5,533	3,952
Federal sources					
Grants not specific to programs				607,725	690,089
Revenue for/on behalf of LEA				490,721	457,476
Other					
Insurance proceeds from loss				14,163	
Gain (loss) on disposal of capital assets				(418,325)	9,361
Total general revenues				\$ 136,394,446	\$ 133,779,890
Changes in net position				(7,237,623)	(12,235,093)
Net position - beginning (restated)				65,599,617	77,834,710
Net position - ending				\$ 58,361,994	\$ 65,599,617

See notes to the financial statement.

Fund Financial Statements



LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Statement C

Balance Sheet
Governmental Funds
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	GENERAL	2007 CONSTRUCTION	2012 CONSTRUCTION	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS 6/30/2013	6/30/2012
<u>Assets</u>							
Cash and cash equivalents	\$ (670,999)	\$ 4,088,866	\$ 16,950,120	\$ 1,548,226	\$ 11,448,065	\$ 33,364,278	\$ 35,664,136
Cash with fiscal agents							
Investments	9,606,320	18,824,328		20,567,325	14,662,278	63,660,251	63,543,848
Receivables	73,445			38,201	7,904,121	8,015,767	5,905,901
Interfund receivable	11,435,892				4,855,666	16,291,558	17,471,178
Inventory, at cost					552,430	552,430	490,648
TOTAL ASSETS	\$ 20,444,658	\$ 22,913,194	\$ 16,950,120	\$ 22,153,752	\$ 39,422,560	\$ 121,884,284	\$ 123,075,711
<u>Liabilities and fund balances</u>							
<u>Liabilities</u>							
Accounts payable	\$ 1,235,896	\$ 803,568	\$ 455,631		\$ 1,417,135	\$ 3,912,230	\$ 2,500,986
Salaries, benefits and withholdings payable	12,870,965				2,470,368	15,341,333	17,168,927
Unearned revenue	188,886			\$ 273,350	421,062	883,298	847,998
Interfund payable	237,325				8,807,542	9,044,867	16,876,087
Intergovernmental payable					119	119	297
Deposits due other or subject to refund	4,031					4,031	4,506
Total Liabilities	14,537,103	803,568	455,631	273,350	13,116,226	29,185,878	37,398,801
<u>Fund Balances</u>							
Restricted for salaries					9,545,357	9,545,357	10,909,351
Restricted for textbooks					1,605,802	1,605,802	1,708,799
Restricted for technology					499,392	499,392	356,079
Restricted for air-conditioning maintenance					4,169,280	4,169,280	6,532,668
Restricted for school food service					2,718,464	2,718,464	3,038,111
Restricted for debt service				21,880,402		21,880,402	26,737,121
Restricted for capital projects		22,109,626	16,494,489		4,779,247	43,383,362	29,458,641

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Statement C

Balance Sheet
Governmental Funds
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	GENERAL	2007 CONSTRUCTION	2012 CONSTRUCTION	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
						6/30/2013	6/30/2012
Committed for sixteenth section					\$ 575,532	\$ 575,532	\$ 473,594
Committed for Medicaid					2,413,260	2,413,260	2,373,449
Unassigned	\$ 5,907,555					5,907,555	4,089,097
Total Fund Balance	5,907,555	22,109,626	16,494,489	21,880,402	26,306,334	92,698,406	85,676,910
TOTAL LIABILITIES AND FUND BALANCES	\$ 20,444,658	\$ 22,913,194	\$ 16,950,120	\$ 22,153,752	\$ 39,422,560		

Amounts reported for governmental activities in the statement of net position are different because.

Capital assets used in governmental activities are not financial resources and, therefore,
are not reported in the funds.

119,612,253 118,219,917

Internal Service funds are used by management to charge the cost of various
insurance to individual funds. The assets and liabilities of the internal service funds are included in
governmental activities in the statement of net position.

13,957,898 11,854,172

Long-term liabilities, including general obligation bonds payable and the related accrued interest,
are not due and payable in the current period and therefore are not reported in the funds.

(167,906,563) (150,151,382)

Net position of governmental activities (Statement A)

\$ 58,361,994 \$ 65,599,617

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

Statement D

	GENERAL	2007 CONSTRUCTION	2012 CONSTRUCTION	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS 6/30/2013	6/30/2012
Revenues							
Local sources							
Taxes							
Ad valorem	\$ 9,665,390			\$ 11,805,247	\$ 13,188,173	\$ 34,658,810	\$ 32,715,753
Sales and use	16,373,568				16,536,788	32,910,356	28,382,069
Earnings on investments	33,485	\$ 49,601	\$ 26,331	72,256	78,652	260,325	501,886
Rentals, leases, royalties					878,745	878,745	1,113,434
Food service collections					1,408,135	1,408,135	1,465,297
Other local	1,084,457				1,149,545	2,234,002	2,411,515
State sources							
Unrestricted grants-in-aid	62,967,314				1,576,100	64,543,414	67,027,455
Restricted grants-in-aid	102,784				783,211	885,995	1,142,783
Revenue in lieu of taxes	422,750					422,750	425,943
Revenue for or on behalf of LEA	5,533					5,533	3,952
Federal sources							
Unrestricted grants-in-aid - direct	119					119	839
Restricted grants-in-aid - direct	164,298				311,643	475,941	506,498
Restricted grants-in-aid - subgrants					18,684,771	18,684,771	18,757,742
Revenue for/on behalf of LEA					490,721	490,721	457,476
Total revenues	90,819,698	49,601	26,331	11,877,503	55,086,484	157,859,617	154,912,642
Expenditures							
Instruction							
Regular programs	47,430,449				1,838,784	49,269,233	49,583,244
Special programs	12,927,809				807,361	13,735,170	14,571,027
Other programs	5,448,676				6,869,666	12,318,342	13,723,659
Support services							
Pupil support	10,013,699				2,663,104	12,676,803	12,172,038
Instructional staff support	3,445,957				2,765,964	6,211,921	5,273,162
General administration	1,640,830	806		439,366	450,730	2,531,732	2,524,999
School administration	7,956,317				67,493	8,023,810	7,868,073
Business services	1,382,782	17,308		20,811	200,175	1,621,076	1,614,352
Operation and maintenance	10,294,539				4,602,828	14,897,367	13,514,737

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

Statement D

	GENERAL	2007 CONSTRUCTION	2012 CONSTRUCTION	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS 6/30/2013	6/30/2012
Pupil transportation	\$ 7,129,569				\$ 198,375	\$ 7,327,944	\$ 7,381,244
Central services	3,368,425				636,695	4,005,120	6,359,471
Food service operations	8,901				8,177,404	8,186,305	8,158,682
Community service operations	12,560					12,560	15,502
Facilities acquisition and construction	144,079	\$ 1,745,482	\$ 1,531,842		4,378,300	7,799,703	7,390,217
<u>Debt service:</u>							
Principal retirement	235,000			\$ 8,995,000		9,230,000	8,375,000
Interest and bank charges	135,802			4,200,014		4,335,816	4,155,910
Appropriations to type 1 charter schools	3,595,250					3,595,250	2,130,704
Total expenditures	115,170,644	1,763,596	1,531,842	13,655,191	33,656,879	165,778,152	164,812,021
<u>Excess (deficiency) of revenues over expenditures</u>	(24,350,946)	(1,713,995)	(1,505,511)	(1,777,688)	21,429,605	(7,918,535)	(9,899,379)
<u>Other financing sources (uses)</u>							
Transfers in (out)	26,169,604				(26,169,604)		
Sales of fixed assets	(200)				5,100	4,900	9,361
Accrued interest and premiums on bonds sold				4,001,991		4,001,991	1,322,901
Proceeds of bond sales			18,000,000	33,020,000		51,020,000	18,840,000
Insurance proceeds from Loss					14,162	14,162	
Payments to escrow agents for defeasance of debt				(40,101,022)		(40,101,022)	
Total other financing sources (uses)	26,169,404	NONE	18,000,000	(3,079,031)	(26,150,342)	14,940,031	20,172,262
<u>Net change in fund balances</u>	1,818,458	(1,713,995)	16,494,489	(4,856,719)	(4,720,737)	7,021,496	10,272,883
Fund balances at beginning of year	4,089,097	23,823,621		26,737,121	31,027,071	85,676,910	75,404,027
<u>Fund balances at end of year</u>	\$ 5,907,555	\$ 22,109,626	\$ 16,494,489	\$ 21,880,402	\$ 26,306,334	\$ 92,698,406	\$ 85,676,910

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2013

Statement E

	<u>6/30/2013</u>	<u>6/30/2012</u>
<u>Net change in fund balances - total governmental funds (Statement D)</u>	\$ 7,021,496	\$ 10,272,883
Amounts reported for governmental activities in the statement of activities (Statement B) are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,392,336	(993,121)
The issuance of long-term debt (e. g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar item when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(17,755,182)	(21,812,773)
Internal service funds are used by management to charge the costs of general liability, building and contents , auto/fleet, worker's compensation and group health insurance to individual funds. The revenues, and expenditures of the internal service funds are included in governmental activities in the statement activities.	<u>2,103,727</u>	<u>297,918</u>
<u>Changes in net position of governmental activities (Statement B)</u>	<u>\$ (7,237,623)</u>	<u>\$ (12,235,093)</u>

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Budget Comparison Statements-Major Funds
For the Year Ended June 30, 2013

Statement F

	GENERAL FUND		DEBT SERVICE	
	ORIGINAL AND FINAL BUDGET	ACTUAL	ORIGINAL AND FINAL BUDGET	ACTUAL
<u>Revenues</u>				
Local sources				
Taxes				
Ad valorem	\$ 8,286,800	\$ 9,665,390	\$ 11,333,032	\$ 11,805,247
Sales and use	14,064,859	16,373,568		
Other				
Rentals, leases, royalties		33,485		
Earnings on investments	101,600		180,197	72,256
Food service collections				
Other local	1,968,300	1,084,457		
State sources				
Unrestricted grants-in-aid	61,562,751	62,967,314		
Restricted grants-in-aid	126,057	102,784		
Revenue in lieu of taxes	425,943	422,750		
Revenue for or on behalf of LEA	6,000	5,533		
Federal sources				
Unrestricted grants-in-aid - direct	1,400	119		
Restricted grants-in-aid - direct	176,000	164,298		
Restricted grants-in-aid - subgrants				
Revenue for/on behalf of LEA				
Total revenues	86,719,710	90,819,698	11,513,229	11,877,503
<u>Expenditures</u>				
Instruction				
Regular programs	48,825,151	47,430,449		
Special programs	14,152,735	12,927,809		
Other programs	5,438,860	5,448,676		
Support services:				
Pupil support	9,285,441	10,013,699		
Instructional staff support	2,731,062	3,445,957		
General administration	1,610,110	1,640,830	365,377	439,366
School administration	7,913,874	7,956,317		
Business services	1,383,701	1,382,782	18,457	20,811
Operation and maintenance	10,841,979	10,294,539		
Pupil transportation	7,611,985	7,129,569		
Central services	3,471,663	3,368,425		
Food service operations	117,037	8,901		
Community service operations	13,000	12,560		
Facilities acquisition and construction		144,079		
<u>Debt service:</u>				
Principal retirement	210,000	235,000	8,385,000	8,995,000
Interest and bank charges	144,579	135,802	4,246,025	4,200,014
Appropriations to type 1 charter schools		3,595,250		
Total expenditures	113,751,177	115,170,644	13,014,859	13,655,191

LAFOURCHE PARISH SCHOOL BOARD
Budget Comparison Statements-Major Funds
For the Year Ended June 30, 2013

Statement F

	<u>GENERAL FUND</u>		<u>DEBT SERVICE</u>	
	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
<u>Excess (deficiency) of revenues over expenditures</u>	\$ (27,031,467)	\$ (24,350,946)	\$ (1,501,630)	\$ (1,777,688)
<u>Other financing sources (uses)</u>				
Transfers in (out)	26,152,935	26,169,604		
Sales of fixed assets	1,000	(200)		
Accrued interest and premiums on bonds sold				4,001,991
Proceeds of bond sales				33,020,000
				<u>(40,101,022)</u>
Total other financing sources (uses)	26,153,935	26,169,404	NONE	(3,079,031)
<u>Net change in fund balances</u>	(877,532)	1,818,458	(1,501,630)	(4,856,719)
Fund balances at beginning of year	<u>5,043,000</u>	<u>4,089,097</u>	<u>26,643,619</u>	<u>26,737,121</u>
<u>Fund balances at end of year</u>	<u>\$ 4,165,468</u>	<u>\$ 5,907,555</u>	<u>\$ 25,141,989</u>	<u>\$ 21,880,402</u>

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Net Position: Proprietary Fund Type: Internal Service Funds

Statement G

For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
				6/30/2013	6/30/2012
<u>Assets</u>					
Cash and cash equivalents	\$ 9,843,263	\$ 1,015,937	\$ 3,299,287	\$ 14,158,487	\$ 9,691,899
Cash with fiscal agents		112,586	78,579	191,165	104,611
Investments	3,539,171			3,539,171	3,532,546
Receivables	418,480	16,450		434,930	63,782
Interfund receivable					1,897,135
Prepaid insurance	125,648	1,524,907		1,650,555	1,679,536
Total assets	\$ 13,926,562	\$ 2,669,880	\$ 3,377,866	\$ 19,974,308	\$ 16,969,509
<u>Liabilities and Net Position</u>					
Liabilities					
Accounts payable	\$ 1,293,608	\$ 270,871	\$ 53,509	\$ 1,617,988	\$ 861,801
Salaries, benefits and withholdings payable			787	787	1,723
Unearned revenue	1,797,211			1,797,211	1,816,531
Estimated liability for outstanding self-funded claims	1,378,777	432,506	789,141	2,600,424	2,435,283
Total liabilities	4,469,596	703,377	843,437	6,016,410	5,115,338
Net position					
Group health insurance	9,456,966			9,456,966	6,868,377
Property losses		1,966,503		1,966,503	2,134,954
Worker's compensation			2,534,429	2,534,429	2,850,840
Net position	9,456,966	1,966,503	2,534,429	13,957,898	11,854,171
Total liabilities and net position	\$ 13,926,562	\$ 2,669,880	\$ 3,377,866	\$ 19,974,308	\$ 16,969,509

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Revenues, Expenses, and Changes in
Net Position: Proprietary Fund Type: Internal Service Funds

Statement H

For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
				6/30/2013	6/30/2012
<u>Operating revenues</u>					
Intergovernmental: insurance premium billings	\$ 20,473,061	\$ 2,344,785	\$ 1,030,459	\$ 23,848,305	\$ 21,344,265
Total operating Revenues	20,473,061	2,344,785	1,030,459	23,848,305	21,344,265
<u>Operating expenses</u>					
Claims expense	16,622,443	390,294	843,818	17,856,555	16,586,229
Reinsurance and administrative fees	2,320,179	2,123,899	519,579	4,963,657	5,199,365
Total operating Expenses	18,942,622	2,514,193	1,363,397	22,820,212	21,785,594
<u>Non-operating revenues</u>					
Interest	19,892	957	3,217	24,066	47,941
Rebates and subsidies	1,038,258			1,038,258	673,405
Insurance proceeds from loss			13,310	13,310	17,902
Total Non-operating revenues	1,058,150	957	16,527	1,075,634	739,248
<u>Changes in net position</u>	2,588,589	(168,451)	(316,411)	2,103,727	297,919
Net position at beginning of year	6,868,377	2,134,954	2,850,840	11,854,171	11,556,252
Net position at end of year	\$ 9,456,966	\$ 1,966,503	\$ 2,534,429	\$ 13,957,898	\$ 11,854,171

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Cash Flows: Proprietary Fund Type: Internal Service Funds

Statement I

For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
				6/30/2013	6/30/2012
<u>Cash flows from investing</u>					
<u>financing activities</u>					
Premiums collected, received or recovered	\$ 22,350,876	\$ 2,344,784	\$ 1,030,459	\$ 25,726,119	\$ 18,770,215
Rebates and subsidies	683,560			683,560	673,405
Claims and fees paid	(18,443,785)	(2,200,134)	(1,243,368)	(21,887,287)	(22,481,580)
Cash provided (used) by non-capital financing activities	4,590,651	144,650	(212,909)	4,522,392	(3,037,960)
<u>Cash flows from investing and other activities</u>					
Interest income	19,891	957	3,217	24,065	47,941
Insurance proceeds from loss			13,310	13,310	17,902
Cash provided from investing and other activities	19,891	957	16,527	37,375	65,843
<u>Net increase (decrease) in cash and equivalents</u>	4,610,542	145,607	(196,382)	4,559,767	(2,972,117)
Cash and investments balance at beginning of year	8,771,892	982,916	3,574,248	13,329,056	16,301,173
Cash and investments balance at end of year	\$ 13,382,434	\$ 1,128,523	\$ 3,377,866	\$ 17,888,823	\$ 13,329,056
<u>Cash and investments at the year end consisted of:</u>					
Cash in Bank	\$ 9,843,263	\$ 1,015,937	\$ 3,299,287	\$ 14,158,487	\$ 9,691,899
Cash with Fiscal Agents		112,586	78,579	191,165	104,611
Investments	3,539,171			3,539,171	3,532,546
Total Cash and Equivalents at the Year End	\$ 13,382,434	\$ 1,128,523	\$ 3,377,866	\$ 17,888,823	\$ 13,329,056

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Net Position: Fiduciary Fund Types

Statement J

For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

	SCHOOL ACTIVITY (Agency Fund)	SALES TAX (Agency Fund)	TOTAL FIDUCIARY FUNDS	
			6/30/2013	6/30/2012
<u>Assets</u>				
Cash and cash equivalents	\$ 3,874,148	\$ 6,547,877	\$ 10,422,025	\$ 6,937,346
Receivables	8,688	11,325,876	11,334,564	5,839,834
Other current assets		389,517	389,517	267,763
Total Assets	\$ 3,882,836	\$ 18,263,270	\$ 22,146,106	\$ 13,044,943
<u>Liabilities</u>				
Accounts payable	\$ 65,220	\$ 114,085	\$ 179,305	\$ 92,441
Salaries, benefits and withholdings payable		1,164	1,164	4,628
Unearned revenue		724,989	724,989	304,477
Held in trust for other funds		7,246,692	7,246,692	2,492,226
Held in trust for others	3,817,616	10,176,340	13,993,956	10,151,171
Total Liabilities	\$ 3,882,836	\$ 18,263,270	\$ 22,146,106	\$ 13,044,943

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lafourche Parish School Board was created under Louisiana Revised Statute (LRS) 17:51 for the purpose of providing free public education for the children within Lafourche Parish. The School Board has been authorized by (LRS) 17:81 to establish policies and regulations for its own government that were consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board was comprised of 15 members who have been elected from 15 districts for a term of four years.

The School Board operates 29 schools and authorized two charter schools within the parish with a total enrollment at the end of June 30, 2013 of 14,428 pupils for the year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students. The following table includes the student enrollment by grade level as of June 30, 2013:

GRADE LEVEL	6/30/2013	6/30/2012	Difference
Pre-school/ pre-kindergarten	1,003	996	7
Kindergarten	1,222	1,110	112
1	1,185	1,178	7
2	1,110	1,082	28
3	1,065	1,056	9
4	1,138	1,138	-
5	1,010	919	91
6	971	1,131	(160)
7	1,086	932	154
8	969	1,052	(83)
9	1,128	1,070	58
10	907	1,014	(107)
11	887	806	81
12	747	802	(55)
Total Student Enrollment	14,428	14,286	142

The above count included 407 students in grades kindergarten through 12 attending the Bayou Community Academy Charter School (BCA) and Virtual Academy of Lafourche (VAL). BCA and VAL were Type 1 charter schools operated by a non-profit corporation according to the provisions in Louisiana R.S. 12:201-12:269 (1950 as amended) and the terms of the agreement between it and the School Board.

A. REPORTING ENTITY

The School Board complies with U.S. Generally Accepted Accounting Principles (GAAP). The School Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB Statement (GASB) No. 14, *The Financial Reporting*

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

Entity, as amended by both GASB No. 39, Determining Whether Certain Organizations Are Component Units and GASB No. 61, *The Financial Reporting Entity: Omnibus establishes the criteria for determining the governmental reporting entity and component units that should be included within the reporting entity*. Under provisions of this Statement, the School Board is considered a primary government.

The School Board has no component units, as defined by the standards. There are no other primary governments with which the School Board has a significant relationship. Certain units of local government, over which the School Board exercises no oversight responsibility, such as the parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) have reported information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements.

The statement of activities has demonstrated the degree to which the direct expenses of a given function or segment were offset by program revenues. Direct expenses were those that were clearly identifiable with a specific function. Program revenues included 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that were restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues were reported instead as general revenues.

Separate financial statements were provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter were excluded from the government-wide financial statements. Major individual governmental funds were reported as separate columns in the fund financial statements.

The accompanying financial statements of the Lafourche Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GASB has been the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements were reported using the economic resources measurement focus and the accrual basis of accounting, as were the proprietary fund and fiduciary fund financial statements. Revenues were recorded when earned and expenses were recorded when a liability were incurred, regardless of the timing of related cash flows. Ad valorem taxes were recognized as revenues in the year for which they were levied. Sales

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

and use tax revenues were recognized in the month that the taxes were due. Grants and similar items were recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements were reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues were recognized as soon as they were both measurable and available. Revenues were considered to be available when they were collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they were collected within 60 days of the end of the current fiscal period, except for FEMA revenue which is considered revenue if collected within the ensuing year. Expenditures generally were recorded when a liability had incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, were recorded only when payments were due.

Other financing sources (uses) were shown in the fund financial statements and represented non-revenue inflows and non-expenditure outflows that affected fund balance. This section included items such as transfers between funds that were not expected to be repaid, capital lease transactions, insurance proceeds, debt extinguishments, long-term debt proceeds, et cetera. These other financing sources (uses) were recognized at the time the underlying events occur.

The Lafourche Parish School Board reports the following governmental funds:

MAJOR

General Fund – The general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in other funds.

2007 Construction Fund – This fund accounts for the financial resources received, including interest earned, and restricted to the acquisition, construction, or improvement of capital facilities approved by the voters on July 21, 2007.

2012 Construction Fund – This fund accounts for the financial resources received, including interest earned, and restricted to the acquisition, construction, or improvement of capital facilities approved by the voters on April 21, 2012.

Debt Service Fund – This fund accounts for transactions relating to resources, including interest earned, retained and used for the payment of principal and interest on long-term obligations.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

NON-MAJOR

Combined as grants

No Child Left Behind – The NCLB funds included Title I, Title I Part C (Migrant), Title III English Language Acquisition, and Title II. These grants provided funding for the economically and educationally deprived school children in the parish, for migratory children to overcome educational disruption, cultural language barriers, social isolation, and other factors that inhibit the ability of such children to achieve high academic standards, to teach English to limited English proficient students, and to reduce class sizes.

Individuals with Disability Act – The IDEA funds were part of the ongoing federally financed program that ensures a free education in the least restricted environment to children with exceptionalities.

Indian Education Act – This was a federally financed program to encourage the preservation of Indian traditions and to develop pride in the Indian heritage among those Indian children located in the southern portion of the parish.

Other Federal Grants – All other federal reimbursable grants not accounted for in the No Child Left Behind, Individuals with Disabilities Act and Indian Education Act Funds were accounted for in this fund.

State Grants – The state reimbursable grants received from the State of Louisiana were accounted for in this fund.

Local Grants – This fund was used to account for the reimbursable grants received from the Lafourche Education Foundation or other local sources of grant funding.

Combined as tax restricted funds

Sales Tax Reserved to Salaries – This fund was used to account for the proceeds from the 1995 sales and use tax, for the interest accrued on the accumulated balance, and for the related expenditures which were restricted for salaries.

Sales Taxes Restricted to Textbooks – This fund was used to account for the proceeds from the 1995 sales and use tax, for the interest accrued on the accumulated balance, and for the related expenditures which were restricted for the district's textbook program.

Sales Taxes Restricted to Technology – This fund was used to account for the proceeds from the 1995 sales and use tax, for the interest accrued on the accumulated balance, and for the related expenditures which were restricted to improving technology in the district.

Property Taxes Restricted to Salaries – This fund was used to account for the proceeds from the Schools-Salary Supplement ad valorem tax, for the interest accrued on the accumulated balance, and for the related expenditures which were restricted for the support of salaries and benefits of the Lafourche Parish School Board employees.

Property Taxes Restricted to Air Conditioning Maintenance Fund – This fund was used to account for the proceeds from the Schools-A/C ad valorem tax, for the

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

interest accrued on the accumulated balance, and for the related expenditures which were restricted for maintaining the School Board's air conditioning systems of the schools in the parish.

Property Taxes Restricted to Retirement Supplement Fund – This fund was used to account for the proceeds from the Schools-Retirement ad valorem tax, for the interest accrued on the accumulated balance, and for the related expenditures which were restricted for supplementing the charges for the unfunded accrued liability of the various state retirement systems.

Major Maintenance – This fund accounted for the revenues from mineral extraction royalties exceeding \$500,000, and from interest accrued on the accumulated balance that was committed for the funding of major maintenance projects.

Sixteenth Section – This fund accounted for the revenues derived from surface and subsurface annual lease payments, from proceeds from 16th section land lawsuits, and from the interest accrued on the accumulated balance that was committed for the funding the preservation or enhancement of the School Board's Section Sixteen properties.

Child Nutrition – This fund was used to account for the revenues from the operation of the School Board's Child Nutrition program, for the interest accrued on the accumulated balance, and for the related expenditures which were committed for the operation of the School Board's child nutrition program.

Medicaid – This fund was used to account for revenues derived from providing Medicaid eligible services to the School Board's students, for the interest accrued on the accumulated balance, and for the related expenditures which were committed to the support of the School Board's school nurse program and for the other support of the School Board's student population

Hurricane Recovery – This fund was used to account for the insurance proceeds and certain additional aid from state and federal sources that was restricted to expenditures that resulted from Hurricanes Gustave, Ike and Isaac.

2003 Construction – This fund was used to account for the financial resources received and that were restricted to the acquisition, construction, or improvement of capital facilities approved by the voters on July 19, 2003.

Additionally, the Lafourche Parish School Board reported the following other fund types:

PROPRIETARY FUNDS: Internal service funds accounted for the cost of general liability, building and contents, auto/fleet, workers compensation and group health insurance services provided to other departments on a cost-reimbursement basis. Internal service funds were proprietary fund types that differ from governmental funds in that their focus were on income measurement, which, together with the maintenance of equity, were an important financial indicator.

FIDUCIARY FUNDS: Agency funds were used to account for the activities of the individual schools and for the collection of sales and use taxes, which were held for

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

several other governmental agencies and the General Fund. The agency funds included in the statement were of a fiduciary fund type, were custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Application of the accrual basis of accounting may, at times, require use of certain private sector standards issued by the Financial Accounting Standards Board (FASB) prior to November 30, 1989. In determining which of those standards to apply, the School Board follows the guidance included in GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA*.

The effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues included 1) charges to students or adults for food services 2) operating grants and contributions and 3) capital grants. Internally dedicated resources were reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

As mentioned in the above paragraph, the School Board has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Inflows are, by definition, neither assets nor liabilities, the statement of net assets title is now referred to as the statement of net position. The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components—net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of borrowings for capital asset acquisition, construction, or improvement of those assets, increased by deferred outflows of resources attributable to capital asset acquisition, construction or improvement, and deferred inflows of resources attributable to either capital asset acquisition, construction, or improvement or to capital asset related debt. Capital-related debt or deferred inflows equal to unspent capital asset related debt proceeds or deferred inflows of resources is included in calculating either restricted or unrestricted net position, depending upon whether the unspent amounts are restricted.

Restricted net position reflects net position when there are limitations imposed on a net position's use by external parties such as creditors, grantors, laws or regulations of other governments. Restricted net position consists of restricted assets less liabilities related to restricted assets less deferred inflows related to restricted assets. Liabilities and deferred inflows related to restricted assets include liabilities and deferred inflows to be liquidated with restricted assets and arising from the same resource flow that results in restricted assets. When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

Proprietary funds distinguished operating revenues and expenses from non-operating items. Operating revenues and expenses generally resulted from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service funds were charges to the other funds for the cost of general liability, building and contents, auto/fleet, workers compensation and group health insurance. The operating cost of the internal service funds included the claims and reinsurance expenses of the program. All revenues and expenses not meeting this definition were reported as non-operating revenues and expenses.

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

1. Deposits and Investments

Cash included amounts in demand deposits, interest bearing demand deposits, time deposits and bank money market accounts. Under state law, the School Board may have deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits within state banks organized under the laws of the state of Louisiana, and national banks having their principal offices in Louisiana.

2. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables were classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans were classified as interfund receivables/ payables.

3. Inventories and Prepaid Items

Inventories of the Special Revenue - Child Nutrition Fund consist of food and supplies purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Education. The commodities were recorded as revenue when received (issued); however, all inventory were recorded as expenditures when consumed. All purchased inventory items were valued at cost determined by specific identification, and commodity inventory items were assigned values based on information provided by the United States Department of Agriculture.

The unexpired portion of insurance represents costs applicable to future accounting periods and was recorded as a prepaid item in the government-wide statements. All other prepaid items were shown as expenditures in the year they were paid.

4. Capital Assets

Capital assets, which included land, buildings, improvements other than buildings, and furniture and equipment were reported in the governmental activity column in the

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

government-wide financial statements. The board included all land and buildings in its capital asset inventory. Furniture and equipment had to meet all of the following criteria to be included:

- ☐ The item will last more than one year.
- ☐ It was nonexpendable; that is, if damaged or worn out, it can be repaired without being replaced.
- ☐ It did not lose its identity through fabrication or incorporation into a different or more complex unit.
- ☐ Its unit cost exceeded \$5,000.

The land, buildings and improvements, and furniture and equipment were valued at historical cost. Donated items were valued at approximate fair market value at the time of donation. For all buildings and improvements that were acquired prior to June 30, 1998, an independent appraisal company has supplied the estimated dates of acquisition and estimated original costs that were developed from information provided by inspection of the property, and accepted appraisal costing techniques relating current cost of reproduction to historical cost of reproduction.

The costs of normal maintenance and repairs that did not add to the value of the asset or materially extend the asset's life were not capitalized.

Buildings, other improvements and equipment were depreciated using the straight-line method over the following estimated useful lives:

Asset Type	Years
Buildings	25 to 45
Improvements other than buildings	10 to 25
Furniture and Equipment	5 to 20

5. Deferred Outflows

Deferred outflows represent the consumption of the government's net position that is applicable to a future reporting period. The School Board had deferred outflows that consisted of losses on general obligation bond refunding activities net of related amortization. The losses associated with the refunding activities was computed by subtracting the book value of the refunded debt from the payments to the escrow agent. The losses from refunding have been amortized over the life of the general obligation refunding bonds issued.

6. Compensated Absences

Sick Leave has been earned based on policy GBRIB *Sick Leave* of the Lafourche Parish School Board Policy Manual and it both accumulated and vested. Twenty-five

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

of the vested days were paid to the employee upon retirement. The remainder was used by the retirement systems in the calculation of benefits earned.

Annual (vacation) Leave has been earned based on policy GBRIK *Annual Leave* of the Lafourche Parish School Board Policy Manual. It accumulated and vested to all full-time employees with contracts of 230 days or more. Such employees earned 5-20 days of annual leave depending on date of employment and length of service with the School Board. In the fiscal years that ended before July 1, 2004, Annual Leave could be accumulated without limit. The policy was amended in July 2004 to limit the accumulation to 25 days and to provide for the grandfathering in of any accumulation prior to July 1, 2004 that exceeded 25 days.

The cost of current sick leave and annual leave privileges, has been computed in accordance with GASB Codification Section C60, and has been recognized as current year expenditures in the governmental funds when leave was taken. The liability for these sick leave and annual leave privileges, not requiring current resources, has been recorded as long-term debt in the government-wide statements.

Sabbatical leave has been earned based on policy GBRHA *Sabbatical Leave* of the Lafourche Parish School Board Policy Manual. It could have been granted for medical leave and for professional and cultural improvement. Any employee with a teaching certificate was entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits were recorded as expenditures in the period in which paid.

7. Long-term Obligations

Long-term obligations expected to be financed from governmental funds were accounted for as liabilities in the government-wide statements. Expenditures for principal and interest payments for long-term debt were recognized in the governmental funds when due.

8. Deferred Inflows

A deferred inflow represents the acquisition of net position that is applicable to a future reporting period. The School Board had no balances that met the definition of deferred inflows as of June 30, 2013.

9. Equity Classifications

Equity were classified as net position and displayed in three components on the Government-wide Statements:

- ☐ Net investment in capital assets - Consisted of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that were attributable to the acquisition, construction, or improvement of those assets.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

- ❑ **Restricted net position** - Consisted of net position with constraints placed on use by either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- ❑ **Unrestricted net position** - Consisted of net position that do not meet the definition of "restricted" or "invested in capital assets, net of debt".

In the fund financial statements, governmental fund equity was classified as fund balance. The School Board adopted GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended June 30, 2011. This statement established criteria for classifying fund balances into specifically defined classifications and clarified definitions for governmental fund types. The following described the different classifications available for fund balances of governmental funds:

- a) **Nonspendable** – Amounts that could not be spent either because they were in nonspendable form or because they were legally or contractually required to be maintained intact.
- b) **Restricted** – Amounts that could be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that were externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c) **Committed** – Amounts that could be used only for specific purposes determined by a formal action of the Lafourche Parish School Board which were the highest level of decision making authority. Commitments could have been established, modified or rescinded only through resolutions approved by the School Board.
- d) **Assigned** – Amounts that did not meet the criteria to be classified as restricted or committed but that were intended to be used for specific purposes. Amounts could only be assigned by the School Board.
- e) **Unassigned** – all other spendable amounts.

When both restricted and unrestricted fund balances were available for use, it was the Board's policy to use restricted fund balance first, followed by committed, and unassigned amounts, respectively.

II. RESTATEMENT OF CERTAIN PRIOR YEAR FINANCIAL BALANCES

A. GASB 63 AND 65 IMPLEMENTATION

The School Board implemented the provisions of GASB Statement 63 *Financial Reporting of Deferred Outflows of resources, Deferred Inflows of Resources and Net Position*. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows represent the consumption of the government's net position that is applicable to a future reporting period.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

A deferred inflow represents the acquisition of net position that is applicable to a future reporting period.

In addition to GASB Statement No. 63, the School Board has also implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities effective fiscal year 2013. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources, required by GASB Statement No. 63, as applied to the governmental fund statements. In addition to identifying which items should be reported in these new categories in proprietary fund, fiduciary fund, government-wide statements of net position and governmental fund balance sheets, GASB Statement No. 65 also identifies certain items previously reported as assets and liabilities that the GASB determined should be recognized as revenues, expenses, or expenditures when incurred and not reported in statements of net position/balance sheets.

Because of the implementation, the entity-wide *Statement of Net Position* has replaced the entity-wide *Statement of Net Position*. The main difference is that *Deferred loss from bond refundings (net of amortization)* has been separated into its own category, *Deferred Outflows of Resources*, and the School Board no longer recognizes unamortized bond issuance cost, which are now expensed as incurred.

B. ACCRUAL OF GENERAL OBLIGATION BOND INTEREST

The School Board has chosen to recognize as a liability the amount of interest that has accrued on general obligation bond principal from the time of the last interest payment presentation year to the end of the fiscal year.

C. RECONCILIATION OF PRIOR YEAR BALANCES WITH THE JUNE 30, 2013 STATEMENT

The following changes to prior year amounts were made as a result of the initial GASB statement 63 implementation and the accruing of general obligation bond interest.

ITEM	STATEMENT	ORIGINAL AMOUNT	ACCRUED INTEREST	BOND ISSUE EXPENSES	ADJUSTED AMOUNT
Total Assets	A	\$ 242,023,567		\$ (634,517)	\$ 241,389,050
Deferred Outflows from Loss	A			142,875	142,875
Total Liabilities	A	174,330,368	\$ 1,459,065	142,875	175,932,308
Total Net Position (Assets)	A	67,693,199	(1,459,065)	(634,517)	65,599,617
Facilities acquisition and construction	B	(376,701)		(78,672)	(455,373)
Interest and bank charges	B	(4,071,647)	(131,413)	82,425	(4,120,635)
Net Position (Assets) - beginning	B	79,800,632	(1,327,652)	(638,270)	77,834,710
Net Position (Assets) - ending	B	67,693,199	(1,459,065)	(634,517)	65,599,617
Long-term liabilities explanation	C	(148,057,800)	(1,459,065)	(634,517)	(150,151,382)
Long-term liabilities explanation	E	(21,685,113)	(131,413)	3,753	(21,812,773)

No attempt was made to adjust any other prior period amounts because the effects changes in the treatment of bond issuance costs or because of the accrual of general obligation bond

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interest because the changes were not considered material to the multi-year presentations included in the Statistical Section of this CAFR.

III. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund balance sheet included a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net assets.

One element of that reconciliation explained that "long-term liabilities, including bonds payable, were not due and payable in the current period and therefore were not reported in the funds." The details of this difference were as follows:

DESCRIPTION	6/30/2013	6/30/2012
Deferred Loss from Bond Refundings (Net of Amortization)	\$ (2,473,515)	\$ (142,875)
Interest Payable	1,349,106	1,459,065
Premiums on Bonds Sold (Net of Amortization)	5,471,732	1,737,144
General Obligation Bonds Payable	101,880,000	97,165,000
Certificates of Indebtedness	2,850,000	3,085,000
Unfunded Portion of Other Post Retirement Benefits	51,218,322	40,076,291
Compensated Absences	7,610,918	6,771,757
Total Long-Term Liabilities Adjustment	\$ 167,906,563	\$ 150,151,382

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund statement of revenues, expenditures, and changes in fund balances included a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation states "Governmental funds report capital outlays as expenditures". However, in the statement of activities the cost of those assets were allocated over their estimated useful lives and reported as depreciation expense." The details of this difference were as follows:

DESCRIPTION	6/30/2013	6/30/2012
Capital Outlay	\$ 6,376,707	\$ 8,004,618
Depreciation Expense	(4,984,371)	(8,997,739)
Total Capital Outlay Adjustment	\$ 1,392,336	\$ (993,121)

LAFOURCHE PARISH SCHOOL BOARD
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Another element of that reconciliation states "the issuance of long-term debt (e. g. bonds, leases) provided current financial resources to governmental funds, while the repayment of the principal of long-term debt consumed the current financial resources of governmental funds. Neither transaction, however, had any effect on net assets.

Also, governmental funds reported the effect of issuance cost, premiums, discounts, and similar item when debt was first issued, whereas these amounts were deferred and amortized in the statement of activities." The details of this difference were as follows:

DESCRIPTION	6/30/2013	6/30/2012
Amortization of Loss from Bond Refundings	\$ (44,901)	\$ (20,657)
Loss from Bond Refundings Sold (prepaid interest)	2,375,542	
Accrued Interest	109,959	(131,413)
Amortization of Premiums on Bonds Sold	267,401	187,345
Principal of General Obligation Bonds Paid	46,305,000	8,165,000
Proceeds of General Obligation Bonds Sold	(55,021,991)	(20,162,898)
Principal on Capital Leases Paid	235,000	210,000
Unfunded Portion of Other Post Retirement Benefits Accrued	(11,142,031)	(10,478,592)
Compensated Absences Accrued	(839,161)	418,442
Total long-term debt adjustment	\$ (17,755,182)	\$ (21,812,773)

IV. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

At the August meeting of the School Board, the superintendent submitted a consolidated budget prepared on the modified accrual basis of accounting to the School Board, so they can review it before public inspection. The budget contains the estimate of revenues and proposed expenditures for the General, Special Revenue, and Debt Service funds. The school board was not required, and did not prepare annual budgets for the Capital Projects Funds.

A public hearing was conducted at the School Board office to obtain taxpayer comments. After this public hearing, the budget was enacted by the board. This process had to be completed by September 15 of the applicable budget year.

State law required budget amendments if revenues will be short of estimates or if expenditures will exceed estimates by 5%. The superintendent was authorized to make changes within the various budget classifications provided that any reallocation of funds affecting more than five percent (5%) of the projected revenue collections must be approved in advance by action of the School Board. The results were compared monthly, starting in September. During the current fiscal year, there were no budget amendments.

LAFOURCHE PARISH SCHOOL BOARD
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B. RESTRICTED, COMMITTED, ASSIGNED AND UNASSIGNED FUND BALANCES

The *Restricted for salaries and benefits* balance included the unexpended portion of the 1995 1¢ sales tax devoted to salaries was recorded in the Non-Major Fund Sales Tax Restricted to Salaries fund, the unexpended proceeds of the property tax dedicated to salaries was reported in the Non-Major Fund – Property Taxes Restricted to Salaries Fund, and the un-expended portion of the Non-Major Fund – Property Taxes Restricted to Retirement Fund..

The *Restricted for textbooks* balance included unexpended portion of the 1995 1¢ sales tax devoted to textbooks were reported in the Non-Major– Sales Tax Restricted to Textbooks Fund.

The *Restricted for technology* balance included the unexpended portion of the 1995 1¢ sales tax devoted to technology was reported in the Non-Major– Sales Tax Restricted to Technology Fund.

The *Restricted for air-conditioning maintenance* balance included unexpended proceeds of the property tax dedicated to maintaining the air conditioning systems of the schools were reported in the Non-Major Property Tax Restricted to Air Conditioning Maintenance Fund.

The *Restricted for school food service* balance included the unexpended funds used in the school food service program, which have not been encumbered, that were reported Non-Major – Child Nutrition Fund.

The *Restricted for debt service* balance included the unexpended funds dedicated for debt service, which have not been encumbered, that were reported in the Major – Debt Service Fund.

The *Restricted for capital projects* included the unexpended proceeds for general obligation debt included in the Major – 2007 Construction and 2012 Construction Funds, the unexpended proceeds for general obligation debt included in the Non-Major 2003 Construction Fund, and the unexpended insurance proceeds included in the Non-Major Hurricane Recovery Fund.

The *Committed for sixteenth section* balance included unexpended revenues derived from surface and subsurface annual lease payments, from proceeds from 16th section land lawsuits, and from the interest accrued on the accumulated balance that was reported in the Non-Major – Sixteenth Section Fund.

The *Committed for Medicaid* balance included the proceeds derived from providing Medicaid eligible services to the School Board's students and from the interest accrued on the accumulated balance expended is committed for supporting the School Board's school nurse program and for the other support of the School Board's student population that were reported in the Non-Major – Medicaid Fund.

LAFOURCHE PARISH SCHOOL BOARD
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C. SALES AND USE TAXES

On March 6, 1965, the voters of Lafourche Parish approved a one-percent sales and use tax to be levied and collected by the Lafourche Parish School Board. The proceeds of the tax were dedicated for the purpose of payment of salaries of teachers and other personnel employed by the School Board and/or for the general operations of the schools, excluding expenditures for capital improvements and purchases of automotive equipment.

The voters approved an additional one-percent sales and use tax for the School Board on April 29, 1995 to provide for salary increases (including related benefits) to all personnel except central office administrators. The tax also provides funding for textbook and technology upgrades.

The School Board also acts as the central collection agency for all sales taxes levied within the parish. The following table summarizes the sales tax rates and fees collected for other agencies:

JURISDICTION	TAX	ANNUAL TOTALS AS OF JUNE 30, 2013		
		TOTAL COLLECTIONS	COLLECTION COST	FINAL DISTRIBUTIONS
Lafourche Parish School Board	2.0%	\$ 33,380,845	\$ 470,489	\$ 32,910,356
Lafourche Law Enforcement	1.0%	10,683,484	171,160	10,512,324
Lafourche Parish Government		16,193,638	248,691	15,944,947
Solid Waste	0.7%	8,410,616	130,677	8,279,939
Consolidated District A	1.0%	3,952,249	54,525	3,897,724
Road District #2	0.5%	3,830,773	63,489	3,767,284
City of Golden Meadow	1.0%	934,277	11,944	922,333
City of Thibodaux	2.0%	9,342,539	94,351	9,248,188
City of Lockport		794,043	8,990	785,053
February 1967 Levy	1.0%	397,022	4,495	392,527
April 2001 Levy	0.3%	119,106	1,348	117,758
May 2010 Levy	0.7%	277,915	3,146	274,769
South Lafourche Levee District	1.0%	7,288,866	118,016	7,170,850
Lafourche Parish Tourist Commission	3.0%	472,506	4,253	468,253
Held in Escrow Pending Suit		151,346		151,346
TOTALS		\$ 79,241,544	\$ 1,127,893	\$ 78,113,651

D. LEVIED TAXES

Ad valorem taxes and the related state revenue sharing (which were based on population and homesteads in the parish) were recorded in the year the taxes were assessed. Ad valorem taxes were assessed on a calendar year basis, became due on November 15 of each year, and become delinquent on December 31. The taxes were generally collected in December, January, and February of the fiscal year. State revenue sharing was included in unrestricted state grants.

LAFOURCHE PARISH SCHOOL BOARD
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The following was a summary of authorized and levied ad valorem taxes:

TYPE	AUTHORIZED RATE	LEVIED RATE	EXPIRATION DATE
Constitutional	3.63 Mills	3.63 Mills	None
Regular maintenance	7.49 Mills	7.49 Mills	January 2019
Salary supplement	7.49 Mills	7.49 Mills	January 2019
Air condition maintenance	7.49 Mills	7.49 Mills	January 2020
Retirement supplement	7.49 Mills	7.49 Mills	January 2022
Bond and interest	17.20 Mills	17.20 Mills	None
TOTAL	43.30 Mills	43.30 Mills	

V. DETAILED NOTES ON ALL FUNDS AND GOVERNMENT-WIDE STATEMENTS

A. DEPOSITS AND INVESTMENTS

The School Board's *Cash and cash equivalents* consist of deposits in local financial institutions and amounts invested in the Louisiana Asset management pool (LAMP). On June 30, 2013, the School Board had cash and cash equivalents as follows:

DESCRIPTION	6/30/2013	6/30/2012
Cash on hand and in banks	57,058,743	51,239,899
LAMP	886,048	1,053,482
Total cash and equivalents	<u>57,944,791</u>	<u>52,293,381</u>
Statement C	33,364,278	35,664,136
Statement G	14,158,488	9,691,899
Statement J	10,422,025	6,937,346
Total cash and equivalents	<u>57,944,791</u>	<u>52,293,381</u>

At year end, the carrying amount of the School Board's bank deposits was \$57.9 million that was reported above in *Cash on hand and in banks* and the bank balance was \$58.3 million. There was an additional \$3 million of certificates of deposit recorded as *Investments* because they were managed by our investment manager.

Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk for deposits is the risk that in event of financial institution failure, the School Board's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. The School Board's deposits were not subject to custodial credit risk at June 30, 2013.

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Included in *Cash and cash equivalents* was a pooled cash account totaling \$15.4 million. The funds and amounts per fund included in the pooled cash account were as follows:

FUND	BALANCE
Major:	
General	(\$686,284)
2007 Construction	1,698,231
2012 Construction	4,106,042
Non Major:	
State Grants	315,093
Sales Tax Reserved to Salaries	(4,419,202)
Sales Tax Reserved to Textbooks	1,428,336
Sales Tax Reserved to Technology	232,213
Property Tax Reserved to Salaries	(3,696,097)
Property Tax Reserved to Air Conditioning Maintenance	(2,871,420)
Major Maintenance	
Sixteenth Section	575,509
Medicaid	1,996,728
2003 Construction	(165,705)
Internal Service	
Group Health Insurance	6,419,391
Loss Control	1,015,938
Workers Compensation	3,169,299
Agency:	
Sales Tax	6,324,558
TOTAL	\$15,442,629

The School Board had deficit balances for certain funds that share in the pool cash account. The funds involved had enough balance in their *Investment* account or in their super now account to cover the cash deficit in the pool account. Also, at all times the pool cash account had a positive balance.

The School Board had Louisiana Asset Management Pool (LAMP) balances of \$886,000 included in its *Cash and equivalents* balance and \$6.2 included in *Investments*). LAMP is a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of June 30, 2013 were not categorized in the three risk categories provided by GASB Codification 150.164, because the investments were in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP was administered by LAMP, Inc., which were a nonprofit corporation organized under the laws of the State of Louisiana, formed by an initiative of the State Treasurer in 1993. The corporation was governed by a board of directors consisting of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in

LAFOURCHE PARISH SCHOOL BOARD
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LAMP have an investment interest in its pool of assets. The primary objective of LAMP was to provide a safe environment for the placement of public funds in short-term, high quality investments. LAMP investments were restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets were restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. LAMP was designed to be highly liquid to give its participants immediate access to their account balances. LAMP has consistently earned a rating of AA+ from Standard & Poor's, the highest rating available to LAMP. Due to this immediate access feature, investments in LAMP were considered cash equivalents by the School Board.

B. INVESTMENTS

The School Board allowed funds which were available for investment and above immediate cash requirements to be invested in accordance with the following: a.) first priority shall be to secure safety of principle, b.) the second priority shall be to ensure liquidity of funds to meet the obligations of the School Board, and c.) the third priority shall be the yield of investments. As of June 30, 2013, the School Board's *Investments* of \$67.2 million consisted of *Cash equivalents* (certificates of deposit and LAMP deposits), *Fixed Income, Federal* (U. S. Government Instrumentalities), *Fixed Income, LA State* (Louisiana securities by the State of Louisiana), *Fixed Income, LA Local* (securities funded by the various political subdivisions excluding School Districts), *Fixed Income, LA School District* (funded by the various School Districts). All securities were carried at fair value which was determined by obtaining year-end market prices.

The following table contains the breakdown of the investment accounts by type of investment.

INVESTMENT TYPE	AMOUNT	% of Total
Cash Equivalents, Certificates of Deposit	\$3,000,000	4.5%
Cash Equivalents, LAMP	6,229,764	9.3%
Cash Equivalents, Other	411	0.0%
Fixed Income, Federal	47,231,941	70.3%
Fixed Income, LA Local	7,234,267	10.8%
Fixed Income, LA State	515,014	0.8%
Fixed Income, LA School District	2,988,025	4.4%
TOTAL	\$67,199,422	100.0%

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The following table displays the sections of the statement where the balance can be found:

STATEMENT LOCATION	AMOUNT
Governmental	\$63,660,251
Internal Service	3,539,171
TOTAL	\$67,199,422

Credit risk. All of the School Board's investments consist of certificates of deposit with financial institutions whose principal offices are located within Louisiana, deposits in the Louisiana Asset Management Pool, bonds issued by Federal Government Sponsored Entities such as Federal Home Loan Bank and Federal National Mortgage Association (GSE's) and bonds issued by Louisiana local governments. The certificates of deposit are covered by federal deposit insurance. LAMP has consistently earned a rating of AAAM from Standard & Poor's, the highest rating available to LAMP. The GSE's carry an AAA rating by two of the nationally recognized rating agencies; however, Standard and Poors rates the securities of these agencies as AA+. Most of the bonds issued by the Louisiana local governments are unrated; however, the issuers of these bonds consist of larger local governments within the major metropolitan areas of Louisiana.

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The following were the *Fixed Income, Federal* securities owned on June 30, 2013:

NAME	CUSIP	MATURITY DATE	VALUE
Federal Home Loan Bank	313376YK5	8/2/2013	\$2,000,190
Federal Home Loan Bank	3133804E4	4/23/2014	1,500,170
Federal Home Loan Bank	313380TY3	9/25/2013	2,999,894
Federal Home Loan Bank	313381MG7	1/8/2016	2,989,320
Federal Home Loan Bank	313383JE2	6/17/2016	1,893,052
Federal Farm Credit Bank	3133EA2K3	9/28/2015	1,745,191
Federal Farm Credit Bank	3133EA3E6	1/4/2016	995,623
Federal Farm Credit Bank	3133EAZJ0	7/23/2015	499,477
Federal Farm Credit Bank	3133ECLA0	4/12/2016	1,983,270
Federal Farm Credit Bank	3133ECQ49	5/23/2016	991,441
Federal Farm Credit Bank	3133ECSK1	6/20/2016	2,993,070
Federal Home Loan Mortgage Corporation	3134G3K25	9/25/2015	4,492,228
Federal Home Loan Mortgage Corporation	3134G42L1	4/29/2016	3,473,421
Federal Home Loan Mortgage Corporation	3134G4AC2	6/27/2016	1,591,350
Federal National Mortgage Association	3135G0CU5	9/12/2014	1,000,832
Federal National Mortgage Association	3135G0GM9	12/23/2014	701,432
Federal National Mortgage Association	3135G0PA5	3/18/2016	398,852
Federal National Mortgage Association	3135G0PR8	10/9/2015	998,151
Federal National Mortgage Association	3135G0VJ9	3/18/2016	4,483,849
Federal National Mortgage Association	3135G0XB4	4/29/2016	2,381,119
Federal National Mortgage Association	3135G0XH1	5/20/2016	2,481,513
Federal Home Loan Mortgage Corporation	3137EACZ0	11/27/2013	2,001,904
Federal National Mortgage Association	31398A2M3	9/30/2013	501,217
Federal National Mortgage Association	31398A4S8	10/22/2013	1,874,838
Federal National Mortgage Association	31398A5Z1	11/19/2013	260,537
TOTAL			\$47,231,941

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
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The following is a listing of the *Fixed Income, LA State (Louisiana securities by the State of Louisiana)* and *Fixed Income, LA Local* securities owned on June 30, 2013:

NAME	CUSIP	MATURITY DATE	VALUE
Baton Rouge LA Sales Tax	071270KT8	8/1/2014	\$156,266
Caddo-Bossier Port Comm LA	127220AC5	4/1/2014	279,045
Caddo Parish LA Parishwide	127269CR7	3/1/2016	55,100
Iberia Parish LA School District	450812VY5	3/1/2014	251,945
Jefferson Davis Parish LA Sales Tax	473799AH7	2/1/2015	105,597
Kenner LA Sewer Revenue	489437AB9	11/1/2014	437,321
Lafayette LA Public Improvement Sales Tax	5064846Q2	3/1/2014	327,997
Lafayette LA Public Improvement Sales Tax	5064847F5	5/1/2014	348,954
Lafayette LA Public Improvement Sales Tax	506485BL4	3/1/2015	258,550
Lafayette LA Public Improvement Sales Tax	506485CB5	5/1/2015	389,104
Lafayette LA Public Tr Fin Auth	506486DA4	10/1/2014	243,274
Livingston LA Utility Revnue	538685AA6	8/1/2013	90,087
Livingston Parish LA	538752ET9	3/1/2015	530,217
LA Local Government Crowley Project	546282JX3	11/1/2013	140,539
LA Local Government Livingston Parish	546282LQ5	9/1/2014	147,397
LA Local Government St. Martin Parish	546282NK6	10/1/2013	185,622
LA Local Government St. Martin Parish	546282NL4	10/1/2014	203,004
LA State Public Facs Hurricane Rec	546398WL8	6/1/2014	154,884
LA State Office Facs Corp Lease	546405FG1	11/1/2014	208,760
Louisiana State	546415VR8	7/15/2014	965,171
Louisiana St GO	546415WY2	5/1/2015	54,050
LA State Citizens Property Insurance	546456DF8	6/1/2014	151,370
LA State University	546540DR3	7/1/2014	104,162
Monroe LA Sales Tax	611076EA4	7/1/2014	101,446
Monroe LA Sales Tax	611076EK2	7/1/2014	177,408
Monroe LA Sales Tax	611076EL0	7/1/2015	399,237
New Orleans, LA	64763FNU9	12/1/2014	514,544
Pointe Coupee Parish LA Sales Tax	730818AZ4	9/1/2013	145,235
Pointe Coupee Parish LA Sales Tax	730818BA8	9/1/2014	161,781
St Martin Parish LA Sales Tax	792159BS3	10/1/2014	303,531
St Mary Parish LA Sewage Sales Tax	792429BT8	7/1/2015	157,683
TOTAL			\$7,749,281

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Notes to the Financial Statements
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The following were the *Fixed Income, LA School District* securities owned on June 30, 2013:

NAME	CUSIP	MATURITY DATE	VALUE
Livingston Parish LA School District G	538803VK0	5/1/2016	\$100,360
Livingston Parish LA School District #22	538825GV6	3/1/2014	360,549
Ouachita Parish LA School District	689861JQ6	3/1/2014	232,279
Rapides Parish LA School Pineville	753585DL9	4/1/2015	747,748
St Tammany LA Parish School District	793572VL9	3/1/2014	30,693
St Tammany LA Parish School District	793572WZ7	4/1/2014	480,287
St Tammany LA Parish School District #12	793572XT0	3/1/2015	1,036,109
TOTAL			\$2,988,025

Interest rate risk. In accordance with its investment policy, the School Board managed its exposure to declines in fair values for its fixed rate securities by using the weighted average maturity method. This method took into account the timing of maturities and the amounts that were required to mature on specific dates to meet liquidity needs. The laddering strategy which spreads maturity dates was used to meet liquidity requirements and to decrease interest rate risk. The maturities were laddered from one to 35 months as shown in the following table.

Months Outstanding	Amount
1 - 10	\$14,011,981
11 - 20	7,663,058
21 - 30	13,467,812
31 - 35	22,826,397
TOTAL	\$57,969,247

C. RECEIVABLES

The *Receivables* at June 30, 2013 totaled \$19.8 million and were classified as follows:

CLASS OF RECEIVABLES	GENERAL	DEBT SERVICE	NON-MAJOR GOVERNMENTAL	STATEMENT C	STATEMENT G	STATEMENT J
Sales Tax						\$11,325,876
Property Tax	\$32,665	\$38,201	\$42,615	\$113,481		
Oil Royalties			182,857	182,857		
E-rate	4,422			4,422		
Medicaid			32,648	32,648		
Intergovernmental - Grants						
Federal			7,503,055	7,503,055		
State	15,644		141,243	156,887		
Other	20,715		1,702	22,417	\$434,930	8,688
TOTAL	\$73,446	\$38,201	\$7,904,119	\$8,015,766	\$434,930	\$11,334,564

LAFOURCHE PARISH SCHOOL BOARD

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E. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows:

	BALANCE AT BEGINNING OF YEAR	ADDITIONS	REDUCTIONS	ACCUMULATED DEPRECIATION	NET BALANCE
Land	\$2,341,916				\$2,341,916
Buildings and Improvements	170,797,823	\$3,568,239	\$493,419	\$64,943,166	108,929,477
Furniture and Equipment	9,028,805	586,022	582,986	6,272,499	2,759,342
Construction in Progress	2,282,667	7,358,265	4,059,414		5,581,518
TOTAL	\$184,451,211	\$11,512,526	\$5,135,819	\$71,215,665	\$119,612,253

Depreciation was charged to general administration services in the statement of activities and recapped as follows:

	PRIOR	CURRENT EXPENSE	REDUCTIONS	ACCUMULATION
Buildings and Improvements	\$59,861,131	\$5,297,279	\$215,244	\$64,943,166
Furniture and Equipment	6,370,163	340,270	437,934	6,272,499
TOTAL	\$66,231,294	\$5,637,549	\$653,178	\$71,215,665

CONSTRUCTION COMMITMENTS: The Lafourche Parish School Board had active construction projects as of June 30, 2013. The projects covered new construction and renovations at the schools expended through the Construction Funds, and the Air Conditioning Maintenance Fund. At year-end, the School Board's commitments to the contractors were as follows:

PROJECT	CONTRACT PRICE	COST TO DATE EXPENDED	BALANCE	RETAINAGE
Additions, classroom	\$11,263,848	\$2,235,130	\$9,028,718	\$24,570
Land acquisition	1,400	1,400		
Renovations, exterior	718,035	385,090	332,945	26,479
Renovations, interior	463,340	216,804	246,536	11,390
Renovations, interior/exterior	4,556,302	2,693,221	1,863,081	111,883
Renovations, roofing	474,214	49,874	424,341	1,100
TOTAL	\$17,477,139	\$5,581,518	\$11,895,621	\$175,422

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G. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual receivable/payable balances at June 30, 2013 were as follows:

RECEIVABLE FUND	PAYABLE FUND	GOVERNMENTAL	AGENCY
General	No Child Left Behind Act	\$1,318,070	
General	Individuals with Disabilities Act	\$215,693	
General	Indian Education Act	\$17,933	
General	Adult Education Federal Grants	\$297,399	
General	Other Federal Grants	\$1,664,448	
General	Local Grants	\$28,801	
General	Property Tax Restricted to Retirement Supplement	\$3,983	
General	Hurricane Recovery	\$2,561,038	
General	Major Maintenance	\$1,038,724	
General	Sixteenth Section		
General	Child Nutrition	\$415,125	
General	Sales Tax		\$3,697,353
Sales Tax Restricted to Salaries	Sales Tax		\$3,016,938
Sales Tax Restricted to Textbooks	Sales Tax		\$177,467
Sales Tax Restricted to Technology	Sales Tax		\$354,934
Local Grants	General	\$60,000	
Major Maintenance	Property Tax Restricted to Air Conditioning	\$868,938	
Child Nutrition	General	\$177,325	
Hurricane Recovery	Property Tax Restricted to Air Conditioning	\$377,389	
	TOTAL	\$9,044,866	\$7,246,692

The receivables and payables balances were reported in the statements as follows:

Reported in	Receivable	Payable
Statement C	\$16,291,558	\$9,044,867
Statement J		7,246,692
Total	<u>\$16,291,558</u>	<u>\$16,291,559</u>

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

Interfund transfers made during the year ended June 30, 2013 were as follows:

TRANSFERRED IN	TRANSFERRED OUT	AMOUNT
General	No Child Left Behind Act: Title I	\$350,814
General	Individuals with Disabilities Act	160,954
General	Indian Education Act	9,090
General	Adult Education Federal	18,543
General	Other Federal Grants	68,205
General	Sales Tax Reserved to Salaries	14,710,572
General	Sales Tax Reserved to Textbooks	171,066
General	Sales Tax Reserved to Technology	338,542
General	Property Tax Restricted to Salaries	6,134,191
General	Property Tax Restricted to Air Conditioning	1,336,493
General	Property Tax Restricted to Retirement Supplement	1,552,268
General	Major Maintenance	832,854
General	Sixteenth Section	37,181
General	Child Nutrition	377,018
General	Medicaid	71,813
Major Maintenance	Property Tax Restricted to Air Conditioning	145,979
Hurricane Recovery	Property Tax Restricted to Air Conditioning	223,761
	TOTAL	\$26,539,344

The transfers were reported in the statements as follows:

Reported in	In	Out
Major Fund - General	\$26,169,604	
Non-Major Funds	369,740	\$26,539,344
	<u>\$26,539,344</u>	<u>\$26,539,344</u>

H. COMPENSATED ABSENCES

At June 30, 2013, employees of the School Board had accumulated and vested \$7.6 million of employee leave benefits, which was computed in accordance with GASB Codification C60. The total amount paid during the fiscal year amounted to \$288,600. The liability for leave privileges not requiring current resources were recorded as long-term debt in the government-wide financial statements.

I. CERTIFICATES OF INDEBTEDNESS

The School Board issued \$2.8 million of Certificates of Indebtedness on February 1, 2006. The purpose of the debt was to pay for the cost of energy efficiency building improvements that were subject to the performance contract between the School Board and Siemens Building Technologies, Inc.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

The following table was the payment schedule:

YEAR	PRINCIPAL	INTEREST	TOTAL
2014	\$ 255,000	\$ 125,815	\$ 380,815
2015	280,000	114,850	394,850
2016	310,000	102,670	412,670
2017	335,000	89,108	424,108
2018	365,000	74,368	439,368
2019-2021	1,305,000	119,965	1,424,965
TOTAL	\$ 2,850,000	\$ 626,776	\$ 3,476,776

J. LONG-TERM DEBT

The School Board issued general obligation bonds to provide funds for the acquisition, construction or renovation of major capital facilities.

The balances of the outstanding issues were as follows:

DESCRIPTION	ISSUE DATE	ORIGINAL ISSUE	INTEREST RATES	PRINCIPAL OUTSTANDING	INTEREST TO MATURITY
2003 GO Series	June 1, 2004	\$ 20,000,000	3.000-5.000%	\$ 635,000	\$ 15,875
2004 GO Series	April 12, 2005	22,300,000	3.250-5.000%	11,805,000	1,716,488
2005 GO Refunding Series	May 4, 2005	20,000,000	4.000-7.000%	1,260,000	95,250
2005 GO Series	October 1, 2007	10,000,000	4.000-6.000%	8,780,000	4,236,380
2007 GO Series	May 20, 2008	6,535,000	3.000-4.000%	3,910,000	548,450
2008 GO Refunding Series	January 1, 2009	20,000,000	4.125-7.000%	10,000,000	1,377,500
2009 GO Series	December 1, 2011	18,840,000	2.000-5.000%	15,080,000	2,884,050
2011 GO Refunding Series	September 18, 2012	18,000,000	2.125-4.000%	17,415,000	5,685,738
2011 GO Series	November 15, 2012	18,340,000	1.000-5.000%	18,315,000	8,030,900
2012 GO Refunding Series	March 28, 2013	14,680,000	1.000-4.500%	14,680,000	6,342,102
TOTAL		\$168,695,000		\$ 101,880,000	\$ 30,932,733

General obligation bonds were direct obligations with the principal and interest requirements funded in accordance with Louisiana law by the annual ad valorem tax assessment on taxable property within the parish. At June 30, 2013, the School Board had accumulated \$21.8 million in the debt service fund for future debt requirements.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

The following schedule contains the general obligation bond debt requirements for ensuing fiscal periods:

YEAR	PRINCIPAL	INTEREST	TOTAL
2014	\$ 9,150,000	\$ 3,993,384	\$ 13,143,384
2015	9,415,000	3,687,195	13,102,195
2016	9,675,000	3,307,695	12,982,695
2017	9,950,000	2,923,420	12,873,420
2018	9,345,000	2,514,370	11,859,370
2019-2023	22,630,000	8,738,838	31,368,838
2024-2028	20,665,000	4,867,658	25,532,658
2029-2032	11,050,000	900,173	11,950,173
TOTAL	\$ 101,880,000	\$ 30,932,733	\$ 132,812,733

In accordance with Louisiana Revised Statute 39:562.M, the School Board was legally restricted from incurring long-term bonded debt in excess of 50 percent of the assessed value of taxable property. At June 30, 2013 the legal debt limit was \$532.1 million while the net outstanding bonded debt, bonded debt total less debt service accumulation, was \$80 million resulting in a debt margin of \$452.1 million.

During the 2013 fiscal year, the School Board sold two general obligation bond issues in the process of refunding certain outstanding general obligation bonds previously issued. The School Board recognized a loss associated with the refunding process was based on the carrying value of the old bonds. The losses were calculated as follows:

ISSUE DATE	(in millions)		
	BOOK VALUE OF BONDS	PAYMENTS TO ESCROW	NET LOSS ON REFUNDING
Series 2012 refunding	\$22.5	\$23.7	\$1.2
Series 2013 refunding	1.4	0.6	1.2
TOTAL	\$23.9	\$24.3	\$2.4

LAFOURCHE PARISH SCHOOL BOARD

Notes to the Financial Statements

June 30, 2013

The purpose for refunding the bonds was to take advantage of the difference between the interest rates at the time the bonds were originally issued and the interest rates at the time the bonds were refunded. As a result of the refunding process there was a net savings computed as follows:

ISSUE DATE	(in millions)					
	EXISTING DEBT SERVICE SCHEDULES	NEW DEBT SERVICE SCHEDULES	SINKING FUND TRANSFER	NET FUTURE SAVINGS	PRESENT VALUE FACTOR	PRESENT VALUE OF FUTURE SAVINGS
Series 2012 refunding	\$34.4	\$28.2	\$3.0	\$3.2	2.54630%	\$2.1
Series 2013 refunding	23.2	22.4	0.1	\$0.8	2.59655%	0.6
TOTAL	\$57.6	\$50.6	\$3.1	\$4.0		\$2.7

The following table presents the balances of the defeased bonds.

ISSUE DATE	(in millions)			
	BALANCE BEFORE REFUNDING	REFUNDED BONDS	BONDS NOT REFUNDED	BALANCE AT 6/30/2013 OF BONDS NOT REFUNDED
Series 2003	\$7.9	\$7.6	\$0.3	
Series 2004	16.2	14.9	1.2	\$0.6
Series 2005	16.1	14.8	1.3	1.3
TOTAL	\$40.2	\$37.3	\$2.8	\$1.9

The following were a summary of the long-term debt transactions for the year ended June 30, 2013:

DESCRIPTION	BONDED DEBT	CERTIFICATES OF INDEBTEDNESS	COMPENSATED ABSENCES	OTHER POST EMPLOYMENT BENEFITS	TOTAL
Long-term obligations at July 1, 2012	\$97,165,000	\$3,085,000	\$6,771,757	\$40,076,291	\$147,098,048
Additions	51,020,000		1,127,722	11,142,031	63,289,753
Deductions	46,305,000	235,000	288,561		46,828,561
Long-term obligations at June 30, 2013	\$101,880,000	\$2,850,000	\$7,610,918	\$51,218,322	\$163,559,240
Due within one year	\$9,150,000	\$255,000	\$327,269		\$9,732,269
Due in more than one year	\$92,730,000	\$2,595,000	\$7,283,649	\$51,218,322	\$153,826,971

VI. OTHER INFORMATION

A. RISK MANAGEMENT

The School Board had established a Group Health Insurance Fund (an internal service fund) to account for various risks of loss related to providing medical payments as required by the group health insurance program. Under this program, the Fund assumed \$175,000 for each

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

claim and the School Board had purchased commercial insurance for claims in excess of the exposure assumed by the Fund. Also, the School Board had retained a third-party administrator to supervise, evaluate and administer claims, and provide a preferred provider network. All funds that had budgets that included employee positions participated in the program and made payments to the fund based on management's estimates of the amounts needed to pay prior and current year claims. These interfund "premiums" were reported as quasi-external transactions. The Group Health Insurance Fund has a \$9.5 million *Net Position* balance at June 30, 2013.

The School Board was exposed to various risks of loss related to personal injury to students and other individuals (not employees). Under the current program, the Loss Control Fund was responsible for a maximum of \$150,000 for each loss. The School Board purchased commercial insurance for claims in excess of \$150,000 that has a \$1 million per occurrence limit and a \$2 million aggregate limit for general liability and automobile liability. The School Board has a \$50,000 SIR and \$5 million limit for its public officials errors and omissions liability coverage. Also, the School Board had retained a third-party administrator to supervise, evaluate and administer claims, and provide loss prevention services. The School Board was exposed to various risks of loss related to theft of, damage to and destruction of buildings and related contents. Under the current program, the Loss Control Fund provides coverage up to a maximum \$250,000 (or 3% of claim) for each loss to its buildings due to wind and hail (named storm), and \$100,000 for all other building perils with a total Limit of \$90 million for all other perils claims and \$15 million for named storm claims. The School Board purchased commercial insurance for claims in excess of coverage provided by the Loss Control Fund. The General Fund makes payments to the Loss Control Fund based on current premiums and expected losses from these types of exposure. These interfund "premiums" were reported as quasi-external transactions. The June 30, 2013 *Net Position* balance in the Loss Control Fund was \$1.9 million.

The School Board was also exposed to various risks of loss related to providing medical and indemnity payments as required by law for on-the-job related injuries. To account for and finance its uninsured risks of loss, the School Board has established a Workers' Compensation Fund (an internal service fund). Under this program, the Workers' Compensation Fund were responsible for \$400,000 of each workers compensation claim and has a \$1 million limit for each workers compensation claim. Also, the School Board had retained a third-party administrator to supervise, evaluate and administer claims, and provide loss prevention services. All funds that pay salaries participated in the program and made payments to the fund based on management's estimates of the amounts needed to pay prior and current year claims. These interfund "premiums" were reported as quasi-external transactions. The *Net Position* balance in the Worker's Compensation Fund was \$2.5 million as of June 30, 2013.

At June 30, 2013, the outstanding claims liability accruing to the Loss Control, Worker's Compensation and Group Health Insurance Funds was \$2.6 million. The estimated claim liability had been determined by the third-party administrator based on historical information and anticipated payments. These liabilities were based on the requirements of GASB

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* which required a liability for claims be reported if information prior to the issuance of the financial statements indicates that it was probable and the amount of the loss can be reasonably estimated.

The following table showed the changes in this liability as of June 30, 2013:

	GROUP INSURANCE	LOSS CONTROL	WORKERS COMPENSATION	TOTAL 6/30/2013	TOTAL 6/30/2012
Balance July 1	\$1,355,152	\$405,006	\$675,125	\$2,435,283	\$2,833,259
Current year claims and estimates	16,646,068	417,794	957,834	18,021,696	16,188,253
Less: Claim payments	16,622,443	390,294	843,818	17,856,555	16,586,229
Balance June 30	\$1,378,777	\$432,506	\$789,141	\$2,600,424	\$2,435,283

The School Board was self-funded for unemployment claims filed with the State. The claims were accounted for on the cash basis in the fund in which the original salary was paid. The school Board paid \$6,246 to the State for benefits claimed during the year ended June 30, 2013. The School Board retains a third-party administrator to supervise, evaluate and administer claims.

B. CONTINGENT LIABILITIES

The Lafourche Parish School Board received funding under grants from various federal and state governmental agencies. These grants specify the purpose for which the grant monies were to be used and such grants were subject to audit by the granting agency or its representative. If the grant monies received were not expended appropriately, the Lafourche Parish School Board may be required to reimburse the granting agency.

At June 30, 2013 the School Board was involved in several lawsuits. In the opinion of legal counsel for the School Board, the potential claims against the School Board, not covered by insurance, would not materially affect the financial statements.

The Lafourche Parish School Board received funding under contracts for E-Rate. These contracts specify the purpose for which the monies were to be used and such contracts were subject to audit by the granting agency or its representative. If the contract monies received were not expended, the Lafourche Parish School Board may be required to reimburse the funding agency.

During the fiscal year, the Lafourche Parish School Board and Seimens Building Technology negotiated changes to the contract for Energy Conservation Equipment and Consulting Services that was originally signed on October 5, 2005 for the purpose of the sale and installation of energy saving equipment, monitoring, maintenance and service designed to save energy and reduce costs for certain property and buildings. The original terms of the contract were similar to ones that were successfully challenged in court. The amended contract was reviewed and found satisfactory by Louisiana Legislative Auditor. The amended contract revises the methods in which savings are calculated and verified. Under the previous

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Notes to the Financial Statements
June 30, 2013

terms of the contract, the School Board would owe Siemens about \$638,700 for savings that would have accrued through May 31, 2013, the anniversary of the contract. No payments have been made yet as they were pending verification of the savings.

C. POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Lafourche Parish School Board provided certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees were provided through the Group Health Insurance Fund whose monthly premiums were paid jointly by the employee or retiree and by the School Board.

The School Board recorded the cost of providing these benefits (the School Board's portion of premiums) as expenditures when the monthly premiums were due. The payments made in 2013 and 2012 for retiree insurance expenditures were \$4.5 million and \$4.0 million respectively. The School Board's group plan enrollment at the end of the years 2013 and 2012 included 1,215 and 1,163 retirees respectively.

Beginning July 1, 2008, the School Board prospectively implemented GASB 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions*, which required the liability for these benefits to be accrued as they were earned by employees.

The School Boards Annual Required Contribution (ARC) was an amount actuarially determined in accordance with GASB 45. The ARC was equal to the normal cost plus an amount necessary to amortize the Unfunded Actuarial Liability over a period of thirty (30) years. A level dollar, closed amortization period has been used. The total ARC for the fiscal year beginning July 1, 2012 was \$14.3 million as set forth below:

DESCRIPTION	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009
Normal cost	\$ 7,801,000	\$ 7,801,000	\$ 7,316,000	\$ 7,316,000	\$ 7,408,000
Interest on normal cost	351,000	351,000	366,000	366,000	370,000
Amortization	6,128,000	6,128,000	5,891,000	5,891,000	5,066,000
Interest on amortization			295,000	295,000	253,000
Annual required contribution	\$ 14,280,000	\$ 14,280,000	\$ 13,868,000	\$ 13,868,000	\$ 13,097,000

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

Net Post Employment Benefit Obligation: The School Board's Net Other Post Employment Benefit (NOO) Obligation for the fiscal year ended June 30, 2013 was \$51.2 million as set forth below:

DESCRIPTION	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009
NOO-Beginning of Year	\$ 40,076,291	\$ 29,597,700	\$ 19,483,000	\$ 9,128,000	
Increase in NOO					
Annual required contribution	14,280,000	14,280,000	13,868,000	13,868,000	13,097,000
Interest on Net OPEB Obligation	1,332,000	1,332,000	456,000	456,000	
Adjustment to ARC		(1,130,000)	(348,000)	(348,000)	
Annual OPEB Cost	15,612,000	14,482,000	13,976,000	13,976,000	13,097,000
Employer Contributions	(4,469,969)	(4,003,409)	(3,861,300)	(3,621,000)	(3,969,000)
Net Increase	11,142,031	10,478,591	10,114,700	10,355,000	9,128,000
NOO - End of Year	\$ 51,218,322	\$ 40,076,291	\$ 29,597,700	\$ 19,483,000	\$ 9,128,000

The School Board's contribution rate for OPEB cost was as follows:

FISCAL YEAR ENDING	PERCENTAGE OF ANNUAL OPEB COSTS CONTRIBUTED
6/30/2013	29.00%
6/30/2012	28.00%
6/30/2011	28.00%
6/30/2010	26.00%
6/30/2009	30.00%

Funded Status and Funding Progress. The School Board had not established a benefit plan trust and had made no contributions to this plan other than its current year retiree premiums. At June 30, 2013, the plan had no assets and its funded ratio was zero. At July 1, 2011, the date of its most recent actuarial valuation, the Actuarial Accrued Liability (AAL), the portion of the actuarial present value of post-employment benefits not provided by normal cost, was \$153.5 million. Since the plan had no assets, the entire AAL was unfunded.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend rate. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer were subject to continual revision as actual results were compared with past expectations and new estimates were made about the future.

Projections of benefits for financial reporting purposes were based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation, the Unit Credit Cost Method was used. The employer portion of the cost for retiree medical care in each future year were determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover. The actuarial assumptions included a 4.5 percent investment return and an annual healthcare cost trend rate of 10 percent cost initially, reduced gradually to an ultimate rate of 5 percent after 10 years.

D. EMPLOYEE RETIREMENT SYSTEMS

Substantially all employees of the School Board were members of two statewide retirement systems. In general, professional employees, such as teachers and principals, were members of the Louisiana Teachers Retirement System; and other employees, such as custodial personnel and bus drivers, were members of the Louisiana School Employees Retirement System. These systems were cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

1. Teachers' Retirement System of Louisiana (TRS)

Plan Description. The TRS consisted of two membership plans: Regular Plan and Plan A. The TRS provides retirement benefits as well as disability and survivor benefits. Five years of service credit were required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits were established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members were required to contribute 8.0 percent and 9.1 percent of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board was required to contribute at an actuarially determined rate. The current rate was 24.5 percent of annual covered payroll for the two membership plans. Member contributions and employer contributions for the TRS were established by state law and rates were established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, were funded by the State of Louisiana through annual

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2013

appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board and employees' contributions to the TRS for the years ending June 30, 2013, 2012, and 2011 were \$23,608,697, \$23,178,590, and \$21,269,561.

2. Louisiana School Employees Retirement System (LSERS)

Plan Description. The LSERS provided retirement benefits as well as disability and survivor benefits. Five years of service credit were required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits were established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

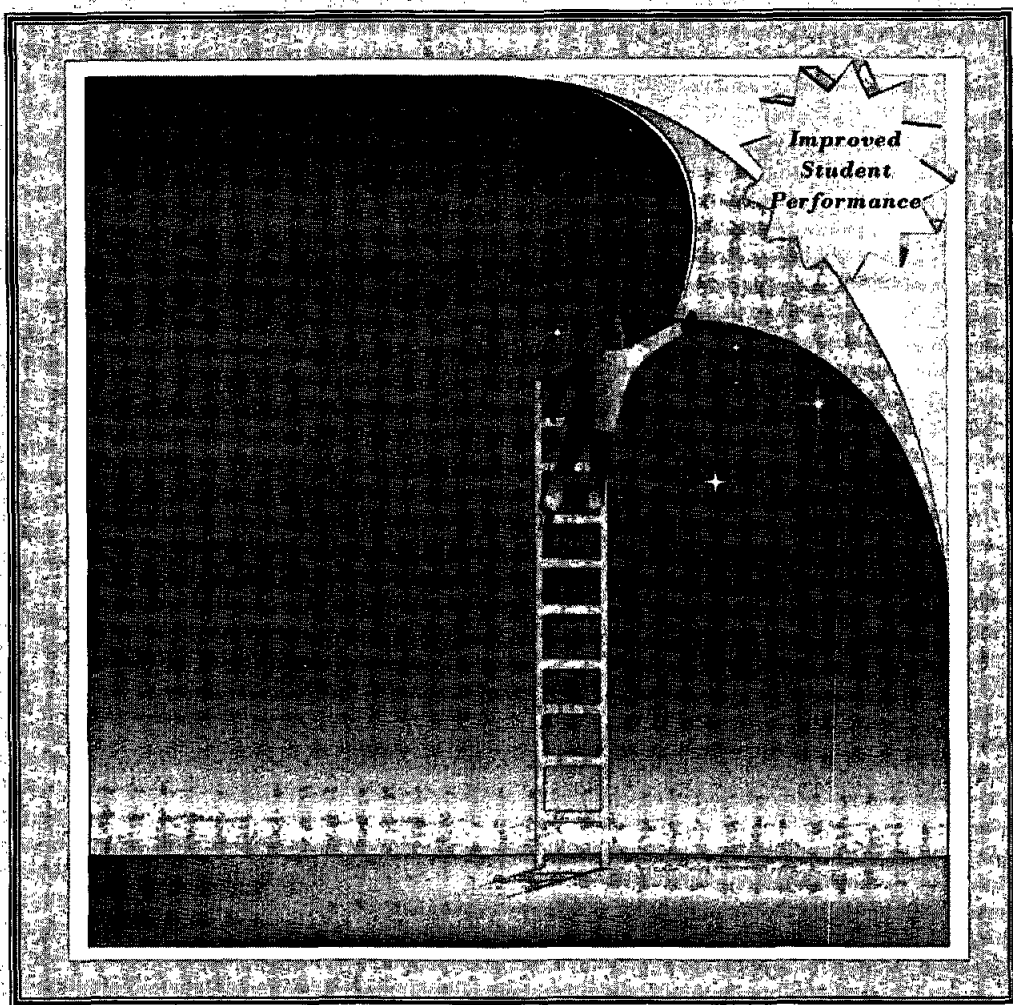
Funding Policy. Plan members were required to contribute 7.5 percent (8.0 for new members after 7/1/2010) of their annual covered salary and the School Board were required to contribute at an actuarially determined rate. The current rate was 30.8 percent of annual covered payroll. Member contributions and employer contributions for the LSERS were established by state law and rates were established by the Public Retirement Systems' Actuarial Committee. The School Board's employee contribution for the LSERS, were funded by the State of Louisiana through annual appropriations.

The School Board and employees' contributions to the LSERS for the years ending June 30, 2013, 2012, and 2011 were \$2,162,598, \$2,014,522, and \$1,786,893.

3. On-behalf Payments for Fringe Benefits and Salaries

The State of Louisiana contributes directly to the Teachers' Retirement System of Louisiana an amount equal to the employer portion of retirement due on the Professional Improvement Program (PIP) salary increments paid to the School Board's personnel. The School Board recognizes the amount contributed as a revenue and expenditure in the General Fund. The amount recognized in 2013 was \$5,533.

Supplemental Information



LAFOURCHE PARISH SCHOOL BOARD
Combining Balance Sheet: Other Governmental Funds
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

Schedule 1

	GRANTS	TAX RESTRICTED	MAJOR MAINTENANCE	SIXTEENTH SECTION	CHILD NUTRITION	MEDICAID FUND	HURRICANE RECOVERY	2003 CONSTRUCTION	TOTAL OTHER GOVERNMENTAL FUNDS	
									6/30/2013	6/30/2012
Assets										
Cash and cash equivalents	\$ 315,093	\$ (115,281)		\$ 575,509	\$ 3,201,997	\$ 2,503,725		\$ 4,967,022	\$ 11,448,065	\$ 24,650,064
Investments		14,662,278							14,662,278	7,569,741
Receivables	5,411,987	42,615	\$ 169,786	13,072	22,326	32,647	\$ 2,211,688		7,904,121	5,486,769
Interfund receivable	60,000	3,549,339	868,938				377,389		4,855,666	876,587
Inventories					552,430				552,430	490,648
Total Assets	\$ 5,787,080	\$ 18,138,951	\$ 1,038,724	\$ 588,581	\$ 3,776,753	\$ 2,536,372	\$ 2,589,077	\$ 4,967,022	\$ 39,422,560	\$ 39,073,809
Liabilities and fund balances										
Liabilities										
Accounts payable	\$ 454,692	\$ 721,932		\$ 13,049		\$ 11,648	\$ 28,039	\$ 187,775	\$ 1,417,135	\$ 1,179,946
Contracts payable										
Salaries, benefits and withholdings payable	1,606,932	108,808			\$ 643,164	111,464			2,470,368	3,140,903
Interfund payable	3,542,344	1,250,311	\$ 1,038,724		415,125		2,561,038		8,807,542	9,855,940
Intergovernmental payable	119								119	297
Unearned revenue	182,993	238,069							421,062	385,762
Total Liabilities	5,787,080	2,319,120	1,038,724	13,049	1,058,289	123,112	2,589,077	187,775	13,116,226	14,562,848
Fund balances										
Restricted for salaries and benefits		9,545,357							9,545,357	4,393,241
Restricted for textbooks		1,605,802							1,605,802	1,708,799
Restricted for technology		499,392							499,392	356,079
Restricted for air-conditioning maintenance		4,169,280							4,169,280	6,532,668
Restricted for school food service					2,718,464				2,718,464	3,038,111
Restricted for capital projects								4,779,247	4,779,247	5,635,020
Committed for major maintenance										
Committed for sixteenth section				575,532					575,532	473,594
Committed for Medicaid						2,413,260			2,413,260	2,373,449
Total Fund Equity	NONE	15,819,831	NONE	575,532	2,718,464	2,413,260	NONE	4,779,247	26,306,334	24,510,961
Total liabilities and fund balances	\$ 5,787,080	\$ 18,138,951	\$ 1,038,724	\$ 588,581	\$ 3,776,753	\$ 2,536,372	\$ 2,589,077	\$ 4,967,022	\$ 39,422,560	\$ 39,073,809

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Other Governmental Funds
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

Schedule 2

	GRANTS	TAX RESTRICTED	MAJOR MAINTENANCE	SIXTEENTH SECTION	CHILD NUTRITION	MEDICAID	HURRICANE RECOVERY	2003 CONSTRUCTION	TOTAL OTHER GOVERNMENTAL FUNDS 6/30/2013	6/30/2012
Revenues										
Local sources										
Taxes										
Ad valorem tax		\$ 13,188,173							\$13,188,173	\$10,986,504
Sales and use		16,536,788							16,536,788	\$2,128,655
Earnings on investments		56,801							78,652	104,337
Rentals, leases, royalties			\$ 686,977	\$ 219	\$ 6,066	\$ 2,654		\$ 12,912	878,745	1,113,434
Food service collections				191,768	1,408,135				1,408,135	1,465,297
Other local	\$ 237,835	10,000				901,710			1,149,545	1,042,915
State Sources										
Unrestricted grants-in-aid					1,576,100				1,576,100	1,678,530
Restricted grants-in-aid	783,211								783,211	1,011,615
Federal sources										
Restricted grants-in-aid - direct	311,643								311,643	345,608
Restricted grants-in-aid - subgrants	12,405,942				4,803,655		\$ 1,475,174		18,684,771	18,757,742
Revenue for/on behalf of LEA					490,721				490,721	457,476
Total revenues	13,738,631	29,791,762	686,977	191,987	8,284,677	904,364	1,475,174	12,912	55,086,484	39,092,113
Expenditures										
Instruction										
Regular programs	447,243	1,391,321					220		1,838,784	1,567,761
Special programs	807,053					308			807,361	614,768
Other programs	6,869,074						592		6,869,666	7,713,264
Support Services										
Pupil support	1,895,406					763,559	4,139		2,663,104	2,897,621
Instructional staff support	2,532,750	224,348				17	8,849		2,765,964	3,289,889
General administration	274	387,969	102	52,868		311	9,206		450,730	397,771
School administration							67,493		67,493	
Business services	168,772	14,032				17,045	326		200,175	194,462
Operation and maintenance of plant	203,552	2,770,242			49,304	11,500	1,568,230		4,602,828	2,449,591
Pupil transportation	187,551						10,824		198,375	275,429
Central services	16,139	554,435			15,609		23,542	26,970	636,695	1,101,768
Food service operations	3,211				8,162,393		11,800		8,177,404	8,158,682
Community service Programs										2,942
Facilities acquisition and construction		3,528,709					7,876	841,715	4,378,300	5,220,975
Total expenditures	13,131,025	8,871,056	102	52,868	8,227,306	792,740	1,713,097	868,685	33,656,879	33,884,923
Excess (deficiency) of revenues over expenditures	607,606	20,920,706	686,875	139,119	57,371	111,624	(237,923)	(855,773)	21,429,605	5,207,190

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Other Governmental Funds
For the Year Ended June 30, 2013
(With comparative totals for the year ended June 30, 2012)

Schedule 2

	GRANTS	TAX RESTRICTED	MAJOR MAINTENANCE	SIXTEENTH SECTION	CHILD NUTRITION	MEDICAID	HURRICANE RECOVERY	2003 CONSTRUCTION	TOTAL OTHER GOVERNMENTAL FUNDS	
									6/30/2013	6/30/2012
Other financing sources (uses)										
Transfers in (out)	\$ (607,606)	\$ (24,612,872)	\$ (686,875)	\$ (37,181)	\$ (377,018)	\$ (71,813)	\$ 223,761		\$ (26,169,604)	\$ (6,475,648)
Sales of fixed assets		5,100							5,100	8,861
Insurance proceeds from Loss							14,162		14,162	
Total other financing sources (uses)	(607,606)	(24,607,772)	(686,875)	(37,181)	(377,018)	(71,813)	237,923	\$ NONE	(26,150,342)	(6,466,787)
Net change in fund balances	NONE	(3,687,066)	NONE	101,938	(319,647)	39,811	NONE	(855,773)	(4,720,737)	(1,259,597)
fund balances at beginning of year	NONE	19,506,897	NONE	473,594	3,038,111	2,373,449		5,635,020	31,027,071	25,770,558
Fund balances at end of year	\$ NONE	\$ 15,819,831	\$ NONE	\$ 575,532	\$ 2,718,464	\$ 2,413,260	\$ NONE	\$ 4,779,247	\$ 26,306,334	\$ 24,510,961

LAFOURCHE PARISH SCHOOL BOARD
Combining Balance Sheet: Grant Funds
For the Year Ended June 30, 2013

Schedule 3

	NO CHILD LEFT BEHIND ACT	INDIVIDUALS WITH DISABILITIES EDUCATION ACT	INDIAN EDUCATION ACT	ADULT EDUCATION FEDERAL GRANTS	OTHER FEDERAL GRANTS	STATE GRANTS	LOCAL GRANTS	TOTAL GRANT FUNDS
<u>Assets</u>								
Cash and cash equivalents						\$ 315,093		\$ 315,093
Receivables	\$ 2,138,670	\$ 468,883	\$ 88,770	\$ 358,131	\$ 2,216,290	141,243	-	5,411,987
Interfund receivables							\$ 60,000	60,000
Total assets	\$ 2,138,670	\$ 468,883	\$ 88,770	\$ 358,131	\$ 2,216,290	\$ 456,336	\$ 60,000	\$ 5,787,080
<u>Liabilities and fund balances</u>								
Liabilities								
Accounts payable	\$ 207,727	\$ 73,153	\$ 33,785	\$ 126	\$ 106,172	\$ 13,200	\$ 20,529	\$ 454,692
Salaries, benefits and withholdings payable	610,236	180,037	37,052	60,606	444,707	274,295		1,606,933
Interfund payable	1,318,070	215,693	17,933	297,399	1,664,448		28,801	3,542,344
Intergovernmental payable	119							119
Unearned revenue	2,518				963	168,841	\$ 10,670	182,992
Total Liabilities	2,138,670	468,883	88,770	358,131	2,216,290	456,336	60,000	5,787,080
Total Fund Equity	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Total liabilities and fund balances	\$ 2,138,670	\$ 468,883	\$ 88,770	\$ 358,131	\$ 2,216,290	\$ 456,336	\$ 60,000	\$ 5,787,080

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Grant Funds
For the Year Ended June 30, 2013

Schedule 4

	<u>NO CHILD LEFT BEHIND ACT</u>	<u>INDIVIDUALS WITH DISABILITIES EDUCATION ACT</u>	<u>INDIAN EDUCATION ACT</u>	<u>ADULT EDUCATION FEDERAL GRANTS</u>	<u>OTHER FEDERAL GRANTS</u>	<u>STATE GRANTS</u>	<u>LOCAL GRANTS</u>	<u>TOTAL GRANT FUNDS</u>
<u>Revenues</u>								
Local sources								
Other local							\$ 237,835	237,835
State Sources								
Unrestricted grants-in-aid								
Restricted grants-in-aid						\$ 783,211		783,211
Federal sources								
Unrestricted grants-in-aid								
Restricted grants-in-aid - direct	\$ 124,777		\$ 186,866					311,643
Restricted grants-in-aid - subgrants	<u>5,625,629</u>	<u>\$ 3,172,324</u>	<u></u>	<u>\$ 410,199</u>	<u>\$ 3,197,790</u>	<u></u>	<u></u>	<u>12,405,942</u>
Total revenues	5,750,406	3,172,324	186,866	410,199	3,197,790	783,211	237,835	13,738,631
<u>Expenditures</u>								
Instruction								
Regular programs			147,704		69,702		229,837	447,243
Special programs	12,795	762,428				31,831		807,054
Other programs	<u>3,182,879</u>	<u>32,714</u>		<u>379,447</u>	<u>2,643,859</u>	<u>630,174</u>		<u>6,869,073</u>
Support Services								
Pupil support	190,013	1,583,975			121,418			1,895,406
Instructional staff support	<u>1,678,296</u>	<u>535,086</u>	<u>24,233</u>	<u>8,568</u>	<u>208,577</u>	<u>69,991</u>	<u>7,998</u>	<u>2,532,749</u>
General administration			274					274
Business services	168,772							168,772
Operation and maintenance of plant	<u>114,616</u>	<u>809</u>	<u>929</u>	<u>3,641</u>	<u>83,557</u>			<u>203,552</u>
Pupil transportation	51,772	94,303	1,425			40,051		187,551
Central services	<u>449</u>	<u>2,055</u>			<u>2,472</u>	<u>11,164</u>		<u>16,140</u>
Food service operations			<u>3,211</u>					<u>3,211</u>
Total expenditures	5,399,592	3,011,370	177,776	391,656	3,129,585	783,211	237,835	13,131,025

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Grant Funds
For the Year Ended June 30, 2013

Schedule 4

	NO CHILD LEFT BEHIND ACT	INDIVIDUALS WITH DISABILITIES EDUCATION ACT	INDIAN EDUCATION ACT	ADULT EDUCATION FEDERAL GRANTS	OTHER FEDERAL GRANTS	STATE GRANTS	LOCAL GRANTS	TOTAL GRANT FUNDS
<u>Excess (deficiency) of revenues over expenditures</u>	350,814	160,954	9,090	18,543	68,205			607,606
<u>other financing sources (uses)</u>								
Transfers in (out)	(350,814)	(160,954)	(9,090)	(18,543)	(68,205)			(607,606)
Sales of fixed assets								
Insurance proceeds from loss								
Total other financing sources (uses)	(350,814)	(160,954)	(9,090)	(18,543)	(68,205)			(607,606)
<u>Net change in fund balances</u>	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Fund balances at beginning of year	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
<u>Fund balances at end of year</u>	<u>\$ NONE</u>	<u>\$ NONE</u>	<u>\$ NONE</u>	<u>\$ NONE</u>	<u>\$ NONE</u>	<u>\$ NONE</u>	<u>\$ NONE</u>	<u>\$ NONE</u>

LAFOURCHE PARISH SCHOOL BOARD
Combining Balance Sheet: Tax Restricted Funds
For the Year Ended June 30, 2013

Schedule 5

	SALES TAX FUNDS RESTRICTED TO			PROPERTY TAX FUNDS RESTRICTED TO			TOTAL TAX RESTRICTED
	<u>SALARIES</u>	<u>TEXTBOOKS</u>	<u>TECHNOLOGY</u>	<u>SALARIES</u>	<u>AIR CONDITIONING</u>	<u>RETIREMENT SUPPLEMENT</u>	
<u>Assets</u>							
Cash and cash equivalents	\$ (4,418,435)	\$ 1,428,335	\$ 232,213	\$ 457,858	\$ 2,184,748		\$ (115,281)
Investments	7,078,341			3,539,171	4,044,766		14,662,278
Receivables				18,810	18,810	\$ 4,995	42,615
Interfund receivables	<u>3,016,938</u>	<u>177,467</u>	<u>354,934</u>				<u>3,549,339</u>
Total Assets	<u>\$ 5,676,844</u>	<u>\$ 1,605,802</u>	<u>\$ 587,147</u>	<u>\$ 4,015,839</u>	<u>\$ 6,248,324</u>	<u>\$ 4,995</u>	<u>\$ 18,138,951</u>
<u>Liabilities and fund balances</u>							
<u>Liabilities</u>							
Accounts payable			\$ 8,405		\$ 713,526		\$ 721,931
Salaries, benefits and withholdings payable	\$ 29,303		79,350	-	156		108,809
Interfund payable			-		1,246,328	\$ 3,983	1,250,311
Unearned revenue				<u>\$ 119,035</u>	<u>119,034</u>		<u>238,069</u>
Total Liabilities	<u>29,303</u>		<u>87,755</u>	<u>119,035</u>	<u>2,079,044</u>	<u>3,983</u>	<u>2,319,120</u>
<u>Fund balances</u>							
Restricted for salaries and benefits	5,647,541			3,896,804		1,012	9,545,357
Restricted for textbooks		\$ 1,605,802					1,605,802
Restricted for technology			499,392				499,392
Restricted for air-conditioning maintenance					4,169,280		4,169,280
Total Fund Equity	<u>5,647,541</u>	<u>1,605,802</u>	<u>499,392</u>	<u>3,896,804</u>	<u>4,169,280</u>	<u>1,012</u>	<u>15,819,831</u>
Total liabilities and fund balances	<u>\$ 5,676,844</u>	<u>\$ 1,605,802</u>	<u>\$ 587,147</u>	<u>\$ 4,015,839</u>	<u>\$ 6,248,324</u>	<u>\$ 4,995</u>	<u>\$ 18,138,951</u>

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Tax Restricted Funds
For the Year Ended June 30, 2013

Schedule 6

	SALES TAX FUNDS RESTRICTED TO			PROPERTY TAX FUNDS RESTRICTED TO			TOTAL TAX RESTRICTED
	SALARIES	TEXTBOOKS	TECHNOLOGY	SALARIES	AIR CONDITIONING	RETIREMENT SUPPLEMENT	
<u>Revenues</u>							
Taxes:							
Ad valorem				\$ 5,817,300	\$ 5,817,300	\$ 1,553,573	\$ 13,188,173
Sales and use	\$ 14,056,270	\$ 826,839	\$ 1,653,679				16,536,788
Earnings on investments	20,937	624	153	15,170	19,692	225	56,801
Other local			10,000				10,000
Total revenues	14,077,207	827,463	1,663,832	5,832,470	5,836,992	1,553,798	29,791,762
<u>Expenditures</u>							
Instruction							
Regular programs		759,156	632,165				1,391,321
Support Services							
Instructional staff support	224,348						224,348
General administration	4,082	238	477	191,329	191,325	518	387,969
Business services	6,774			3,387	3,871		14,032
Operation and maintenance of plant					2,770,242		2,770,242
Central services			554,435				554,435
Facilities acquisition and construction					3,528,709		3,528,709
Total expenditures	235,204	759,394	1,187,077	194,716	6,494,147	518	8,871,056
<u>Excess (deficiency) of revenues over expenditures</u>	13,842,003	68,069	476,755	5,637,754	(657,155)	1,553,280	20,920,706
<u>Other financing sources (uses)</u>							
Transfers in (out)	(14,710,572)	(171,066)	(338,542)	(6,134,191)	(1,706,233)	(1,552,268)	(24,612,872)
Sales of fixed assets			5,100				5,100
Total other financing sources (uses)	(14,710,572)	(171,066)	(333,442)	(6,134,191)	(1,706,233)	(1,552,268)	(24,607,772)

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Tax Restricted Funds
For the Year Ended June 30, 2013

Schedule 6

	SALES TAX FUNDS RESTRICTED TO			PROPERTY TAX FUNDS RESTRICTED TO			TOTAL TAX RESTRICTED
	<u>SALARIES</u>	<u>TEXTBOOKS</u>	<u>TECHNOLOGY</u>	<u>SALARIES</u>	<u>AIR CONDITIONING</u>	<u>RETIREMENT SUPPLEMENT</u>	
<u>Net change in fund balances</u>	(868,569)	(102,997)	143,313	(496,437)	(2,363,388)	1,012	(3,687,066)
Fund balances at beginning of year	<u>6,516,110</u>	<u>1,708,799</u>	<u>356,079</u>	<u>4,393,241</u>	<u>6,532,668</u>		<u>19,506,897</u>
<u>Fund balances at end of year</u>	<u>\$ 5,647,541</u>	<u>\$ 1,605,802</u>	<u>\$ 499,392</u>	<u>\$ 3,896,804</u>	<u>\$ 4,169,280</u>	<u>\$ 1,012</u>	<u>\$ 15,819,831</u>

LAFOURCHE PARISH SCHOOL BOARD
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2013

Schedule 7

BOARD MEMBER	AMOUNT	DISTRICT
Louis E. Thibodaux	\$ 9,600	1
Rhoda Caldwell, president	10,800	2
Richmond Boyd, Jr.	9,600	3
Marian Fertitta	9,600	4
Stella C. Lasseigne	9,600	5
Dr. Gregg Stall	9,600	6
Gary Foret	9,600	7
Ronald J. Pere	9,600	8
Julie M. Breaux, vice president	9,600	9
Dennis "Jean" Chiasson	9,600	10
C. Joey Duplantis, III	9,600	11
Ann Sanamo	9,600	12
Al Archer	9,600	13
Larry Pitre	9,600	14
Lawrence M. Mounic	9,600	15
Total	<u>\$ 145,200</u>	

The schedule of compensation paid to the School Board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly method payment of compensation. Under this method, the members of the School Board receive \$800 per month and the president receives \$900 per month.

Single Audit



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

Lafourche Parish School Board
Thibodaux, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the budgetary comparison statements for certain major funds, and the aggregate remaining fund information of Lafourche Parish School Board (School Board), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Lafourche Parish School Board's basic financial statements, and have issued our report thereon dated December 30, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lafourche Parish School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lafourche Parish School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Lafourche Parish School Board's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lafourche Parish School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite + Netterville

Baton Rouge, Louisiana
December 30, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Lafourche Parish School Board
Thibodaux, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Lafourche Parish School Board's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Lafourche Parish School Board's major federal programs for the year ended June 30, 2013. Lafourche Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Lafourche Parish School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lafourche Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Lafourche Parish School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, Lafourche Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2013-1. Our opinion on each major federal program is not modified with respect to these matters.

Lafourche Parish School Board's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Lafourche Parish School Board's response was not

subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of Lafourche Parish School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lafourche Parish School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lafourche Parish School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2013-1, that we consider to be a significant deficiency.

Lafourche Parish School Board's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Lafourche Parish School Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Postlethwaite & Notterville

Baton Rouge, Louisiana
December 30, 2013

LAFOURCHE PARISH SCHOOL BOARD
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Schedule 8

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
<u>United States Department of Agriculture Nutrition:</u>			
Passed Through Louisiana			
Department of Education:			
Cash Assistance			
National School Lunch Program (1)		10.555	\$ 3,638,254
School Breakfast Program (1)		10.553	1,165,401
Total Cash Assistance			4,803,655
National School Lunch Program - Commodity Food Distribution (1)		10.555	490,721
Total Nutrition Cluster			5,294,376
<u>United States Department of Defense</u>			
Direct Program:			
R.O.T.C.		12.998	164,298
Total United States Department of Defense			164,298
<u>United States Department of Housing and Urban Development</u>			
Direct Program:			
Louisiana Jason Stem Project	28-12-SJ-29	14.228	1,865
Total United States Department Department of Housing and Urban Development			1,865
<u>United States Department of Homeland Security</u>			
Direct Program:			
Federal Emergency Management Act		97.036	1,022,517
Total United States Department of Homeland Security			1,022,517
<u>United States Department of Education</u>			
Direct Programs:			
Indian Education - Formula Grants to Local Educational Agencies and Tribal Schools			
2012 Grant	S060A120511	84.060A	2,315
2013 Grant	S060A130511	84.060A	184,551
Response and Emergency Management for Schools Grant	Q184E100118	84.184E	124,777
Impact Aid Elementary and Secondary Education Act, Title VIII, as amended.	S041B-2010-2111	84.041B	119
Passed Through Louisiana Community & Technical College System			

LAFOURCHE PARISH SCHOOL BOARD
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Schedule 8

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
Adult Education -			
2013 State Administered Basic Program	Fund 211103	84.002A	\$ 291,319
2012 Adult Ed Basic Carryover	Fund 211102	84.002A	49,390
2013 Adult Ed Basic Supplemental	Fund 211203	84.002A	4,356
2012 Family Literacy Carryover	Fund 211152	84.002A	35,221
2013 Adult Ed EL/Civics	Fund 211253	84.002A	7,432
2012 EL Civics Carryover	Fund 211252	84.002A	12,457
Passed Through Louisiana Department of Education:			
NCLB Title I - Education needs			
of Disadvantaged: Educationally Deprived Children			
2012 Grant	28-12-T1-29	84.010A	1,266,147
2013 Grant	28-13-T1 -29	84.010A	2,401,519
Migrant Education			
2011 Grant Carryover	28-12-MI-29	84.011A	1,063
2012 Grant	28-12-MI-29	84.011A	153,521
2013 Grant	28-13-MI-29	84.011A	152,307
I. D. E. A. - Assistance for Education of Handicapped			
2012 Grant (2)	28-12-B1-29	84.027A	393,665
2013 Grant (2)	28-13-B1-29	84.027A	2,683,800
I. D. E. A. - Preschool			
2012 Grant (2)	28-12-P1-29	84.173A	69,220
2013 Grant (2)	28-13-P1-29	84.173A	25,639
Vocational Education Act:			
Basic Grants			
2012 Reallocation	28-12-02-29	84.048	10,563
2013 Carl Perkins	28-13-02-29	84.048	174,135
LA 21st Century Community Learning Centers			
2013 21st Century Project Graduation	28-13-77-29	84.287C	373,328
LA 21st Century Community Learning Centers			
2012 21st Century Project Pass	28-12-73-29	84.287C	75,871
2013 21st Century Project Pass	28-13-73-29	84.287C	29,434

LAFOURCHE PARISH SCHOOL BOARD
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Schedule 8

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
N. C. L. B. Title III - English as a Second Language			
2012 Grant	28-12-60-29	84.365A	\$ 1,234
2013 Grant	28-13-60-29	84.365A	32,522
2013 Immigrant Set Aside	28-13-S3-29	84.365A	13,137
N. C. L. B. Title II Teacher/Principal Training			
2012 Grant	28-12-50-29	84.367A	712,392
2013 Grant	28-13-50-29	84.367A	84,717
Math Science Partnerships			
2013 Math Science Partnerships	28-12-MP-29	84.366B	24,054
2012 Math Science Partnerships	28-11-MP-29	84.366B	26,436
2013 Math Science Partnerships - IDEA (2)	28-11-S7-29	84.027A	9,260
School Improvement Grant			
2012 School Improvement 1003 G ARRA (MULTI-YR) (3)	28-09-TG-29	84.388A	231,378
2012 School Improvement 1003 G (MULTI-YR) (3)	28-11-TC-29	84.377A	37,309
Louisiana Safe and Supportive Schools Initiative Grant			
2011 LSSSI Carryover	28-11-SS-29 C	84.184Y	7,345
2012 LSSSI Year 2	28-11-SS-29	84.184Y	34,442
2012 LSSSI Year 2 Carryover	28-11-S1-29 C	84.184Y	46,372
2013 LSSSI - Coordinator Salary	28-11-S8-29	84.184Y	91,011
2013 LSSSI Year 3 Project and Salary	28-11-SF-29	84.184Y	22,367
2013 LSSSI - HIV	28-12-SH-29	93.938	19,861
2013 LSSSI - Drugs	28-11-SA-29	84.184Y	1,328
Education for Homeless Children and Youth			
2013 McKinney-Vento Homeless	28-13-H1-29	84.196A	59,226
Race To The Top Phase 3	28-12-RT-29	84.413A	70,733
AP Summer Institute	N/A	84.413A	13,474
AP Testing	N/A	84.413A	40,922
Total United States Department of Education			10,101,669

LAFOURCHE PARISH SCHOOL BOARD
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Schedule 8

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
<u>Department of Health & Human Resources:</u>			
Passed Through Louisiana Community & Technical College System Temporary Assistance for Needy Families 2013 Strategies to Empower People	Fund 210653	93.558	\$ 10,024
Passed Through Louisiana Department of Education:			
2013 The Cecil J Picard LA 4 Early Childhood Program	28-13-36-29	93.558	836,449
2013 The Cecil J Picard LA 4 Early Childhood Program	28-13-38-29	14.228	1,767,697
Total United States Department of Health and Human Resources			<u>2,614,170</u>
Total Program Activity			<u>\$ 19,198,895</u>

- (1) Child nutrition cluster
- (2) Special education cluster
- (3) School improvement cluster

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2013

1. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting, which is consistent with the basic financial statements.

2. DEFINITION OF CLUSTER

A cluster of programs means a grouping of closely related programs that share common compliance requirements. The types of clusters of programs are research and development, student financial aid, and other clusters. "Other clusters" are defined by the Office of Management and Budget (OMB) in the compliance supplement or as designated by a State for Federal Awards the State provides to a subrecipient that meet the definition of a cluster of programs.

3. RECONCILIATION OF TOTAL FEDERAL REVENUES IN STATEMENT D TO TOTAL PROGRAM ACTIVITY IN SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Statement D Federal Revenues	
Unrestricted grants-in-aid	\$ 119
Restricted grants-in-aid - direct	475,941
Restricted grants-in-aid - subgrants	18,684,771
Revenue for/on behalf of LEA	<u>490,721</u>
Total federal revenues in Statement D	\$ 19,651,552
Adjustments to federal revenues reported in Statement D	
Federal Emergency Management Act PWs not yet obligated	<u>(452,657)</u>
Total of Schedule of Expenditures of Federal Awards	<u><u>\$ 19,198,895</u></u>

LAFOURCHE PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2013

A. Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal Control over Financial Reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☒ yes ☐ none reported

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

☒ yes ☐ no

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

84.027/84.173

Special Education Cluster

84.377/84.388

School Improvement Cluster

14.228

Community Development Block Grant (CDBG)

93.558

Temporary Assistance for Needy Families (TANF)

97.036

Disaster Grants – Public Assistance (Presidentially Declared Disasters)

The threshold for distinguishing types A & B programs was program expenditures exceeding \$575,967.

The Lafourche Parish School Board was determined to be a low-risk auditee.

LAFOURCHE PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2013

B. Findings – Financial Statement Audit

None.

C. Findings and Questioned Costs – Major Federal Award Programs

2013-1 Procurement

Department of Education

84.027 IDEA – Assistance for Education of Handicapped

Criteria: Title 34 Part 80.36 of the Code of Federal Regulations (the Code) requires that methods used for securing services, supplies or other property must be procured in such a way that fosters competitive pricing. The Code allows for simplified informal procurement methods for those acquisitions that do not exceed \$100,000. For acquisitions in excess of \$100,000 the Code requires that the grantee utilize a controlled process of publicly soliciting sealed bids or proposals.

Condition: The School Board expended grant funds in the amount of \$150,000 for assisting the School Board in bridging the gap between school and work. These services were not procured using controlled processes described above.

Effect: The School Board is in violation of the 34 CFR 80.36.

Cause: For purchases of services from federal programs, there is a lack of centralization of procurement processes.

Recommendation: We recommend that the School Board centralize procurement procedures, including those involving federal programs.

Management's Response: Management concurs and will centralize procurement procedures.

Statistical Section



LAFOURCHE PARISH SCHOOL BOARD
Net Position by Component
Last Ten Fiscal Years

Table 1

(accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities										
Invested in capital assets, net of related debt	\$ 56,584,387	\$ 46,064,809	\$ 43,621,961	\$ 39,667,365	\$ 37,694,394	\$ 34,964,937	\$ 20,559,357	\$ 4,384,536	\$ (15,207,119)	\$ (5,464,542)
Restricted for:										
Salaries	9,545,357	10,909,351	13,664,793							
Textbooks	1,605,802	1,708,799	1,827,358							
Technology	499,392	356,079	250,939							
Air-conditioning maintenance	4,169,280	6,532,668	5,450,094							
School food service	2,718,464	3,038,111	2,773,498							
Debt service	20,531,295	25,278,056	25,199,529	23,525,442	23,036,067	22,288,437	20,245,927	18,477,654	16,910,540	15,123,203
Capital projects	4,531,229	4,448,750	4,044,390	5,120,318	4,707,338	5,237,943	18,899,242	27,988,699	39,529,853	26,550,793
Unrestricted	(41,823,212)	(32,737,006)	(17,031,930)	13,591,782	23,903,394	33,050,112	29,812,996	23,989,359	14,013,683	17,268,535
Total net assets	\$ 58,361,994	\$ 65,599,617	\$ 79,800,632	\$ 81,904,907	\$ 89,341,193	\$ 95,541,429	\$ 89,517,522	\$ 74,840,248	\$ 55,246,957	\$ 53,477,989

Note: Salaries, Textbooks, Technology, Air-conditioning maintenance and School food service balances have been reclassified in the 2012 and 2011 fiscal years because their balances meet the criteria for the restricted category.

LAFOURCHE PARISH SCHOOL BOARD
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

Expenses	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
Instruction:										
Regular programs	\$ 52,739,983	\$ 53,397,608	\$ 52,357,946	\$ 55,547,205	\$ 57,022,940	\$ 52,587,549	\$ 46,514,337	\$ 42,582,418	\$ 42,639,191	\$ 40,434,737
Special programs	14,475,550	15,874,776	19,182,396	18,965,338	19,075,298	17,126,081	17,116,933	14,977,909	15,506,790	15,783,895
Other programs	13,032,143	14,407,709	14,095,199	14,385,830	13,522,567	11,819,550	10,038,923	9,111,362	9,294,838	8,544,924
Support services:										
Pupil support	13,705,412	12,766,403	10,460,577	9,881,565	9,323,059	8,281,719	6,732,610	5,691,010	5,633,395	5,220,075
Instructional staff support	6,738,672	5,684,541	8,278,207	8,844,292	7,788,586	6,188,070	6,600,090	5,751,702	6,691,205	5,662,807
General administration	8,325,704	11,569,214	8,774,270	8,857,690	6,907,677	6,660,082	6,262,297	4,773,621	5,109,512	4,132,211
School administration	8,704,233	8,539,043	8,251,929	7,848,706	8,216,894	7,320,574	6,463,078	5,468,366	5,586,289	5,351,246
Business services	1,699,249	1,510,269	1,388,185	1,530,572	1,713,973	1,372,896	987,959	1,335,974	1,406,502	1,303,749
Operation and maintenance	16,126,111	14,115,081	13,070,102	17,089,557	16,559,793	12,774,060	10,714,864	9,181,022	9,043,684	8,754,979
Pupil transportation	8,008,708	8,040,088	8,186,557	8,253,774	8,553,323	7,818,392	6,704,044	6,632,918	6,135,369	5,721,887
Central services	4,193,245	5,735,583	3,719,569	3,142,072	2,796,728	2,359,313	1,473,666	1,402,167	1,081,444	1,009,889
Food service operations	8,558,777	8,643,304	7,938,553	8,773,631	8,918,952	7,796,140	7,921,517	6,753,894	6,580,232	6,468,308
Community service operations	12,560	12,560	14,102	14,278	14,291	15,041	38,666	12,426	10,705	6,423
Facilities acquisition and construction	382,705	657,519	209,040	9,346	1,279,045	895,747	104,824	972,023	469,391	355,460
Debt service:										
Interest and bank charges	4,418,837	4,120,635	4,247,663	4,515,502	3,865,829	3,852,470	3,822,577	3,360,233	3,707,847	2,065,969
Appropriations to type 1 charter schools	3,595,250	2,130,704								
Total primary government expenses	164,717,139	167,205,037	160,174,295	167,659,358	165,558,955	146,867,684	131,496,385	118,007,045	118,896,394	110,816,559
Program Revenues										
Governmental activities:										
Charges for services:										
Food services	1,408,135	1,465,297	1,442,538	1,402,631	1,217,309	1,451,487	1,427,781	1,255,491	1,264,606	1,244,868
Operating grants and contributions	19,676,935	19,724,757	23,844,807	27,885,196	23,266,843	22,203,534	19,723,806	18,817,107	17,676,209	15,163,376
Total primary government program revenues	21,085,070	21,190,054	25,287,345	29,287,827	24,484,152	23,655,021	21,151,587	20,072,598	18,940,815	16,408,244
Net (Expense)/Revenue										
Total primary government net expense	\$ (143,632,069)	\$ (146,014,983)	\$ (134,886,950)	\$ (138,371,531)	\$ (141,074,803)	\$ (123,212,663)	\$ (110,344,798)	\$ (97,934,447)	\$ (99,955,579)	\$ (94,408,315)

LAFOURCHE PARISH SCHOOL BOARD
General Revenues and Total Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 3

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>Net (Expense)/Revenue</u>										
Total primary government net expense	\$ (143,632,069)	\$ (146,014,983)	\$ (134,886,950)	\$ (138,371,531)	\$ (141,074,803)	\$ (123,212,663)	\$ (110,344,798)	\$ (97,934,447)	\$ (99,955,579)	\$ (94,408,315)
<u>General Revenues and Other Changes in Net Position</u>										
<u>Local sources:</u>										
Ad valorem taxes	33,630,054	31,756,717	30,649,897	27,785,903	25,850,287	21,642,250	19,733,100	18,710,358	18,235,618	16,974,543
Sales and use	32,910,355	28,382,069	28,758,946	25,374,941	30,048,148	28,939,433	28,198,767	24,702,120	20,180,611	20,057,900
Other				812,579	761,326	635,957	580,008	545,404	538,473	518,921
Rentals, leases, royalties	878,745	1,113,434	1,004,171	971,776	664,359	1,584,317	2,254,975	2,783,275	1,299,266	767,688
Earnings on investments	284,392	549,824	329,787	303,538	1,145,753	3,490,483	4,359,704	3,514,341	1,468,359	489,505
Other local	3,024,922	3,363,569	3,061,633	2,180,423	2,244,095	1,517,066	4,929,995	1,377,394	1,031,266	964,645
<u>State sources:</u>										
Grants not specific to programs	64,543,411	67,027,456	65,216,519	68,107,385	72,333,972	71,223,923	62,564,627	60,771,625	57,413,664	56,232,560
Revenue in lieu of taxes	422,750	425,943	420,711	421,034	423,205	429,131	406,253	406,045	402,573	401,923
Revenue for or on behalf of LEA	5,533	3,952	13,366	13,034	13,114	18,493	20,288	22,281	27,057	24,671
<u>Federal sources:</u>										
Grants not specific to programs	607,725	690,089	3,750,310	3,994,294	2,349,419	433,309	774,632	3,667,699	389,327	338,354
Revenue for/on behalf of LEA	490,721	457,476	420,132	306,110	429,771	335,584	312,796	425,415	387,585	308,697
<u>Other:</u>										
Insurance Proceeds from loss	14,163		66,968	661,219	150,000		954,586	591,575		
Gain (loss) on disposal of capital assets	(418,325)	9,361	(8,872)	3,008	(76,141)	(69,830)	(67,659)	10,206	7,761	(59,131)
Total primary government	136,394,446	133,779,890	133,683,568	130,935,244	136,337,308	130,180,116	125,022,072	117,527,738	101,381,560	97,020,276
<u>Change in Net Position</u>										
Total primary government	\$ (7,237,623)	\$ (12,235,093)	\$ (1,203,382)	\$ (7,436,287)	\$ (4,737,495)	\$ 6,967,453	\$ 14,677,274	\$ 19,593,291	\$ 1,425,981	\$ 2,611,961

LAFOURCHE PARISH SCHOOL BOARD
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 4

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>General Fund</u>										
Restricted			\$ 12,151,501	\$ 10,447,851	\$ 9,841,230	\$ 8,032,967	\$ 4,978,952	\$ 3,296,139	\$ 2,312,221	\$ 2,811,625
Committed			4,820,155	(4,346,561)						
Unassigned	<u>\$ 5,907,555</u>	<u>\$ 4,089,097</u>	<u>414,786</u>	<u>10,907,016</u>	<u>12,796,916</u>	<u>13,515,263</u>	<u>14,381,521</u>	<u>11,849,933</u>	<u>1,671,582</u>	<u>1,948,122</u>
Total general fund	<u>\$ 5,907,555</u>	<u>\$ 4,089,097</u>	<u>\$ 17,386,442</u>	<u>\$ 17,008,306</u>	<u>\$ 22,638,146</u>	<u>\$ 21,548,230</u>	<u>\$ 19,360,473</u>	<u>\$ 15,146,072</u>	<u>\$ 3,983,803</u>	<u>\$ 4,759,747</u>
<u>All Other Governmental Funds</u>										
Restricted	\$ 83,802,059	\$ 78,740,770	\$ 55,311,788	\$ 63,008,574	\$ 70,830,830	\$ 57,391,720	\$ 49,813,430	\$ 58,209,866	\$ 67,256,880	\$ 54,222,612
Committed	2,988,792	2,847,043	2,705,797	2,567,831						
Unassigned										
Total all other governmental funds	<u>\$ 86,790,851</u>	<u>\$ 81,587,813</u>	<u>\$ 58,017,585</u>	<u>\$ 65,576,405</u>	<u>\$ 70,830,830</u>	<u>\$ 57,391,720</u>	<u>\$ 49,813,430</u>	<u>\$ 58,209,866</u>	<u>\$ 67,256,880</u>	<u>\$ 54,222,612</u>

LAFOURCHE PARISH SCHOOL BOARD
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 5

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
REVENUES										
<u>Local sources:</u>										
Taxes:										
Ad valorem	\$ 34,658,810	\$ 32,715,753	\$ 31,575,090	\$ 27,785,903	\$ 25,850,287	\$ 21,642,250	\$ 19,733,100	\$ 18,710,358	\$ 18,235,618	\$ 16,974,543
Sales and use	32,910,356	28,382,069	28,758,946	25,374,941	30,048,148	28,939,433	28,198,767	24,702,120	20,180,611	20,057,900
Other				812,579	761,326	635,957	580,008	545,404	538,473	516,661
Earnings on investments	260,325	501,886	293,337	271,078	1,019,597	3,080,202	3,890,444	3,227,318	1,317,042	426,370
Rentals, leases, royalties	878,745	1,113,434	1,004,171	971,776	664,359	1,584,317	2,254,975	2,783,275	1,299,266	767,688
Food service collections	1,408,135	1,465,297	1,442,538	1,402,631	1,217,309	1,451,487	1,427,781	1,255,491	1,264,606	1,244,868
Other local	2,234,002	2,411,515	2,136,440	2,180,423	2,244,095	1,517,066	4,929,995	1,377,394	1,031,266	966,905
Total local sources	72,350,373	66,589,954	65,210,522	58,799,331	61,805,121	58,850,712	61,015,070	52,601,360	43,866,882	40,954,935
<u>State sources:</u>										
Unrestricted grants-in-aid	64,543,414	67,027,455	65,216,519	68,107,385	72,333,972	71,301,001	62,564,627	60,771,625	57,413,664	56,232,560
Restricted grants-in-aid	885,995	1,142,783	1,710,905	4,431,775	8,289,870	6,244,065	2,662,055	3,496,281	3,333,612	2,375,698
Revenue in lieu of taxes	422,750	425,943	420,711	421,034	423,205	429,131	406,253	406,045	402,573	401,923
Revenue for or on behalf of LEA	5,533	3,952	13,366	13,034	13,114	18,493	20,288	22,281	27,057	24,671
Total state sources	65,857,692	68,600,133	67,361,501	72,973,228	81,060,161	77,992,690	65,653,223	64,696,232	61,176,906	59,034,852
<u>Federal sources:</u>										
Unrestricted grants-in-aid - direct	119	839	2,976,847	888	8,438	9,950	1,407	3,007	2,728	1,192
Restricted grants-in-aid - direct	475,941	506,498	481,643	392,385	507,509	963,153	1,083,156	493,701	297,209	282,339
Restricted grants-in-aid - subgrants	18,684,771	18,757,742	22,425,722	27,054,442	16,810,445	15,342,597	16,751,820	18,491,817	14,431,987	12,842,501
Revenue for/on behalf of LEA	490,721	457,476	420,132	306,110	429,771	335,584	312,796	425,415	387,585	308,697
Total federal sources	19,651,552	19,722,555	26,304,344	27,753,825	17,756,163	16,651,284	18,149,179	19,413,940	15,119,509	13,434,729
Total revenues	\$ 157,859,617	\$ 154,912,642	\$ 158,876,367	\$ 159,526,384	\$ 160,621,445	\$ 153,494,686	\$ 144,817,472	\$ 136,711,532	\$ 120,163,297	\$ 113,424,516

LAFOURCHE PARISH SCHOOL BOARD
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 6

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>Instruction:</u>										
Regular programs	\$ 49,269,233	\$ 49,583,244	\$ 48,830,571	\$ 52,426,192	\$ 52,534,691	\$ 52,457,697	\$ 47,291,821	\$ 43,174,996	\$ 42,792,145	\$ 41,495,824
Special programs	13,735,170	14,571,027	17,850,809	17,990,007	17,502,145	17,243,934	17,398,736	15,267,921	15,430,148	16,137,831
Other programs	12,318,342	13,723,659	13,424,686	13,892,480	12,737,272	11,896,949	10,160,283	9,257,761	9,511,274	8,714,368
<u>Support services:</u>										
Pupil support	12,676,803	12,172,038	9,770,457	9,330,146	8,775,607	8,241,605	6,768,387	5,732,759	5,605,655	5,342,102
Instructional staff support	6,211,921	5,273,162	7,941,811	8,630,289	7,313,125	6,188,346	6,651,257	5,809,496	6,661,562	5,800,361
General administration	2,531,732	2,524,999	2,292,020	1,987,043	2,345,094	2,220,678	2,866,880	1,903,923	2,188,600	1,876,095
School administration	8,023,810	7,868,073	7,610,566	7,346,258	7,480,802	7,275,986	6,538,061	5,537,952	5,549,645	5,528,470
Business services	1,621,076	1,614,352	1,424,229	1,434,250	1,657,514	1,484,873	1,045,194	1,360,362	1,399,163	1,331,207
Operation and maintenance	14,897,367	13,514,737	13,267,048	13,369,188	16,119,748	13,783,709	11,435,674	11,006,112	9,196,375	8,919,338
Pupil transportation	7,327,944	7,381,244	7,381,051	7,480,370	7,744,954	7,805,827	6,891,578	6,664,756	6,074,947	5,951,276
Central services	4,005,120	6,359,471	3,968,632	3,024,626	2,747,030	2,345,319	1,545,588	1,443,728	1,076,613	1,026,723
Food service operations	8,186,305	8,158,682	8,322,305	8,347,011	8,341,059	7,814,820	8,161,159	7,058,529	6,546,039	6,617,053
Community service operations	12,560	15,502	14,102	14,278	14,291	15,041	38,669	12,426	10,705	6,423
Facilities acquisition and construction	7,799,703	7,390,217	12,579,474	15,124,088	11,151,735	6,560,547	15,597,260	18,726,389	10,278,604	3,215,208
<u>Debt service:</u>										
Principal retirement	9,230,000	8,375,000	6,295,558	6,158,958	5,973,393	9,868,554	3,233,913	3,224,348	2,445,000	1,745,000
Interest and bank charges	4,335,816	4,155,910	4,250,413	4,518,251	3,868,579	4,093,984	3,855,769	3,392,385	2,941,072	2,065,969
Appropriations to type 1 charter schools	3,595,250	2,130,704								
Total expenditures	165,778,152	164,812,021	165,223,732	171,073,435	166,307,039	159,297,869	149,480,229	139,573,843	127,707,547	115,773,248
Expenditures for capitalized assets contained within functional expenditure categories	\$ 7,453,112	\$ 8,004,441	\$ 14,827,825	\$ 12,906,120	\$ 10,266,939	\$ 7,131,886	\$ 16,624,323	\$ 19,599,791	\$ 933,908	\$ 603,161
Debt service as a percentage of noncapital expenditures	9.01%	8.39%	7.65%	7.46%	6.79%	9.59%	6.05%	6.54%	4.62%	3.40%

LAFOURCHE PARISH SCHOOL BOARD
Governmental Funds Other Financing Sources and Uses and Net Change in Fund Balances
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 7

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>Excess (deficiency) of revenues</u>										
<u>over expenditures</u>	\$ (7,918,535)	\$ (9,899,379)	\$ (6,347,365)	\$ (11,547,051)	\$ (5,685,594)	\$ (5,803,183)	\$ (4,662,757)	\$ (2,862,311)	\$ (7,544,250)	\$ (2,348,732)
<u>Other financing sources (uses)</u>										
Transfers in (out)							(500,000)			
Sales of fixed assets	4,900	9,361	606	1,567	64,620	11,251	26,136	1,267		4,043
Accrued interest and premiums on bonds sold	4,001,991	1,322,901							1,030,503	
Proceeds of bond sale	51,020,000	18,840,000			20,000,000	16,535,000			42,300,000	30,000,000
Proceeds of certificates of indebtedness								4,384,724		
Insurance proceeds from loss	14,162		66,968	661,219	150,000	92,425	954,586	591,575		
Payments to refunded bond escrow agent	(40,101,022)					(125,900)			(23,527,929)	
Total other financing sources (uses)	14,940,031	20,172,262	67,574	662,786	20,214,620	16,512,776	480,722	4,977,566	19,802,574	30,004,043
<u>Net changes in fund balances</u>	7,021,496	10,272,883	(6,279,791)	(10,884,265)	14,529,026	10,709,593	(4,182,035)	2,115,255	12,258,324	27,655,311
<u>Fund balances at beginning of year</u>	85,676,910	75,404,027	82,584,711	93,468,976	78,939,950	69,173,903	73,355,938	71,240,683	58,982,359	31,327,048
<u>Prior period change</u>			(900,893)			(943,546)				
<u>Fund balances at beginning as restated</u>	85,676,910	75,404,027	81,683,818	93,468,976	78,939,950	68,230,357	73,355,938	71,240,683	58,982,359	31,327,048
<u>Fund balances at end of year</u>	\$ 92,698,406	\$ 85,676,910	\$ 75,404,027	\$ 82,584,711	\$ 93,468,976	\$ 78,939,950	\$ 69,173,903	\$ 73,355,938	\$ 71,240,683	\$ 58,982,359

LAFOURCHE PARISH SCHOOL BOARD
Assessed Value and Taxable Value of Property
Last Ten Fiscal Years
UNAUDITED

Table 8

ASSESSMENT YEAR	ASSESSED VALUE				LESS: EXEMPTIONS	TOTAL TAXABLE VALUE	TOTAL DIRECT RATE/\$1000
	REAL ESTATE	PERSONAL & BUSINESS PROPERTY	PUBLIC SECTOR	TOTAL ASSESSED VALUE			
*2012	\$ 384,093,391	\$ 588,039,180	\$ 92,078,260	\$ 1,064,210,831	\$ 168,068,663	\$ 896,142,168	\$ 43.30
2011	355,176,425	473,453,855	86,121,180	914,751,460	165,590,279	749,161,181	43.30
2010	346,619,585	472,057,695	81,495,410	900,172,690	166,191,819	733,980,871	43.30
2009	329,805,390	404,432,060	79,544,460	813,781,910	164,029,924	649,751,986	43.30
*2008	314,929,140	372,093,440	78,649,430	765,672,010	161,085,199	604,586,811	43.30
2007	268,866,120	313,241,480	76,323,390	658,430,990	149,912,982	508,518,008	43.30
2006	260,531,040	271,490,890	75,965,010	607,986,940	147,279,352	460,707,588	43.30
2005	250,698,930	252,403,600	75,709,260	578,811,790	144,178,540	434,633,250	43.30
*2004	244,835,270	259,091,400	73,266,550	577,193,220	141,480,420	435,712,800	43.30
2003	213,781,080	242,464,650	69,282,870	525,528,600	132,431,900	393,096,700	43.60

*Reassessment year

The assessor adds property to the ad valorem tax rolls by first determining the fair market value of the property as it becomes subject to ad valorem tax. The assessor then applies the appropriate assessed valuation percentage to property's fair market value to determine gross taxable value. The percentages are:

- 10% for land, and improvements for residential purposes
- 15% for electric cooperative properties, excluding land, and other property
- 25% for public service properties, excluding land, and other property

The homestead exemption of \$75,000 is then deducted from property subject to the exemption in determining the net assessed value.

Under the laws of the State of Louisiana, the assessor is required to re-appraise all property subject to ad valorem tax every four years.

Source: Lafourche Parish Assessor's Office Report

LAFOURCHE PARISH SCHOOL BOARD
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Tax Rates Per \$1,000 of Assessed Value for Parishwide Taxes Only)
UNAUDITED

Table 9

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Lafourche Parish Schools:										
Constitutional Tax	\$ 3.63	\$ 3.63	\$ 3.63	\$ 3.63	\$ 3.63	\$ 3.63	\$ 3.63	\$ 3.63	\$ 3.63	\$ 3.93
Consolidated School District No. 1										
Salary Supplement	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49
Consolidated School District No. 1										
Maintenance	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49
Consolidated School District No. 1										
Air Conditioning Maintenance	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49
Consolidated School District No. 1										
Retirement Supplement	2.00									
Consolidated School District No. 1 Bonds	<u>15.20</u>	<u>17.20</u>	<u>17.20</u>	<u>17.20</u>	<u>17.20</u>	<u>17.20</u>	<u>17.20</u>	<u>17.20</u>	<u>17.20</u>	<u>17.20</u>
	\$ 43.30	\$ 43.30	\$ 43.30	\$ 43.30	\$ 43.30	\$ 43.30	\$ 43.30	\$ 43.30	\$ 43.30	\$ 43.60
Overlapping, Parishwide Taxes:										
Assessment District	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.36	\$ 2.36	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.27	\$ 2.50
Council on Aging	1.98	2.00	2.00	2.00	2.00					
Drainage, Health, Library	5.35	5.41	5.41	5.41	4.89	5.17	4.69	4.69	4.69	5.17
Health Unit	0.76	0.77	0.77	0.77	0.77	0.82	0.82	0.82	0.82	0.90
Juvenile Justice	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Law Enforcement District	10.37	10.37	10.37	10.37	10.37	10.37	10.37	10.37	10.37	10.37
Library	5.34	5.40	5.40	5.40	5.40	5.71	7.71	7.71	7.71	8.50
Parish Drainage	3.30	3.34	3.34	3.34	3.16	3.34	3.34	3.34	3.34	3.68
Parish Recreation	1.54	1.56	1.56	1.56	1.56	1.65	1.65	1.65	1.65	1.82
Public Buildings	<u>2.32</u>	<u>2.35</u>	<u>2.35</u>	<u>2.35</u>	<u>2.35</u>	<u>2.49</u>	<u>2.49</u>	<u>2.49</u>	<u>2.49</u>	<u>2.75</u>
	\$ 36.66	\$ 36.90	\$ 36.90	\$ 36.76	\$ 36.06	\$ 35.25	\$ 36.77	\$ 36.77	\$ 36.54	\$ 38.89
Total Direct and Overlapping	\$ 79.96	\$ 80.20	\$ 80.20	\$ 80.06	\$ 79.36	\$ 78.55	\$ 80.07	\$ 80.07	\$ 79.84	\$ 82.49

Source: Lafourche Parish Assessor's Office

LAFOURCHE PARISH SCHOOL BOARD
Property Tax Levies and Collections
Last Ten Fiscal Years
UNAUDITED

Table 10

YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF TAX COLLECTED TO LEVY	COLLECTIONS IN SUBSEQUENT YEARS	TOTAL TAX COLLECTIONS	PERCENT OF TAX COLLECTED TO LEVY	SHERIFF 1% COLLECTIONS	TOTAL REVENUE
2013	\$ 34,945,755	\$ 33,591,563	96.1%	\$ 38,492	\$ 33,630,055	96.2%	\$ 1,028,755	\$ 34,658,810
2012	32,438,679	31,635,390	97.5%	121,327	31,756,717	97.9%	959,037	32,715,754
2011	31,781,372	30,573,799	96.2%	76,099	30,649,898	96.4%	925,192	31,575,090
2010	28,134,260	27,651,583	98.3%	134,320	27,785,903	98.8%	812,579	28,598,482
2009	26,178,609	25,786,974	98.5%	63,312	25,850,286	98.7%	761,326	26,611,612
2008	22,018,830	21,603,435	98.1%	38,815	21,642,250	98.3%	635,957	22,278,207
2007	19,948,638	19,618,668	98.3%	114,431	19,733,099	98.9%	580,008	20,313,107
2006	18,819,619	18,562,707	98.6%	147,651	18,710,358	99.4%	545,404	19,255,762
2005	18,997,078	18,165,027	95.6%	70,591	18,235,618	96.0%	538,473	18,774,091
2004	17,139,016	16,785,701	97.9%	188,842	16,974,543	99.0%	516,661	17,491,204

Source: Lafourche Parish Assessor's Office

LAFOURCHE PARISH SCHOOL BOARD
Principal Property Tax Payers
Current Year and Nine Years Ago
UNAUDITED

Table 11

TAXPAYER	TYPE OF BUSINESS	2012		2003	
		TAXABLE ASSESSED VALUE	% OF TOTAL TAXABLE VALUE	TAXABLE ASSESSED VALUE	% OF TOTAL TAXABLE VALUE
Nautical Solutions	Marine Contractors	\$ 24,838,540	2.3%		
Hornbeck Offshore Service	Marine Contractors	23,775,000	2.2%		
ChevronTexaco Exploration	Oil and Gas	20,653,920	1.9%	\$ 7,152,070	1.4%
Mars Oil Pipeline Company	Pipeline	17,325,850	1.6%	10,854,000	2.1%
Loop LLC	Pipeline	15,834,560	1.5%	9,983,610	1.9%
Discovery Gas Distribution LLC	Gas	13,735,520	1.3%	6,416,000	1.2%
Entergy Louisiana, LLC	Electrical Utility	12,225,170	1.1%	8,954,410	1.7%
Locap, Inc	Pipeline	10,970,560	1.0%	9,316,800	1.8%
Offshore Service Vessel	Marine Contractors	10,826,990	1.0%		
Candies, Otto LLC	Marine Contractors	10,390,490	1.0%		
Edison Chouest Offshore Inc.	Marine Contractors			24,822,550	4.7%
Alpha Marine Services, LLC	Oilfield Services			12,732,050	2.4%
Hibernia National Bank	Bank			9,588,870	1.8%
Lafourche Telephone Co, Inc	Telephone Utility			5,680,430	1.1%
		<u>\$ 160,576,600</u>	<u>15.1%</u>	<u>\$ 105,500,790</u>	<u>20.1%</u>
Total Assessed Values		<u>\$ 1,064,210,831</u>		<u>\$ 525,528,600</u>	

Source: Lafourche Parish Assessor's Office

LAFOURCHE PARISH SCHOOL BOARD
Other Post Employment Benefits Plan
Retiree Health and Life Insurance Program
Last Ten Fiscal Years
UNAUDITED

Table 12

FISCAL YEAR ENDING	ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF ASSETS (A)	ACTUARIAL ACCRUED LIABILITY (AAL) (B)	UNFUNDED AAL (UAAL) (B-A)	FUNDED RATIO (A/B)
06/30/13	07/01/11	\$ -	\$ 153,544,000	\$ 153,544,000	0.00%
06/30/12	07/01/11	-	153,544,000	153,544,000	0.00%
06/30/11	07/01/09	-	154,400,000	154,400,000	0.00%
06/30/10	07/01/09	-	154,400,000	154,400,000	0.00%
06/30/09	01/01/08	-	132,742,000	132,742,000	0.00%

FISCAL YEAR ENDING	ANNUAL OPEB COST	AMOUNT CONTRIBUTED	PERCENTAGE OF ANNUAL OPEB COSTS CONTRIBUTED	INCREASE (DECREASE) TO NET OPEB OBLIGATION	NET OPEB OBLIGATION
06/30/13	\$ 15,612,000	\$ 4,469,969	29%	\$ 11,142,031	\$ 51,218,322
06/30/12	\$ 14,482,000	4,003,409	28%	10,478,591	40,076,291
06/30/11	13,976,000	3,861,300	28%	10,114,700	29,597,700
06/30/10	13,976,000	3,621,000	26%	10,355,000	19,483,000
06/30/09	13,097,000	3,969,000	30%	9,128,000	9,128,000

LAFOURCHE PARISH SCHOOL BOARD
Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years
UNAUDITED

Table 13

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General obligation bonds (gross)	\$ 101,880,000	\$ 97,165,000	\$ 86,490,000	\$ 92,585,000	\$ 98,490,000	\$ 84,235,000	\$ 77,360,000	\$ 80,485,000	\$ 83,450,000	\$ 65,945,000
Less: Amounts set aside to repay general debt	<u>21,880,402</u>	<u>26,306,334</u>	<u>24,510,961</u>	<u>23,525,442</u>	<u>23,036,066</u>	<u>22,288,437</u>	<u>20,245,927</u>	<u>18,477,654</u>	<u>16,910,540</u>	<u>15,123,203</u>
Net Bonded Debt	<u>\$ 79,999,598</u>	<u>\$ 70,858,666</u>	<u>\$ 61,979,039</u>	<u>\$ 69,059,558</u>	<u>\$ 75,453,934</u>	<u>\$ 61,946,563</u>	<u>\$ 57,114,073</u>	<u>\$ 62,007,346</u>	<u>\$ 66,539,460</u>	<u>\$ 50,821,797</u>
Total assessed property value (B)	\$ 1,064,210,831	\$ 914,751,460	\$ 900,172,690	\$ 813,781,910	\$ 765,672,010	\$ 658,430,990	\$ 607,986,940	\$ 578,811,790	\$ 577,193,220	\$ 525,528,600
Percentage of total assessed property value	7.52%	7.75%	6.89%	8.49%	9.85%	9.41%	9.39%	10.71%	11.53%	9.67%
Population	C)	97,029	96,666	96,318	93,682	92,572	92,713	93,554	92,179	91,955
Net bonded debt per capita (A)	C)	\$ 730	\$ 641	\$ 717	\$ 805	\$ 669	\$ 616	\$ 610	\$ 673	\$ 724
Percentage of personal income per capita (A)	C)	1.5711%	1.4373%	1.6821%	1.9074%	2.0651%	1.6535%	2.2571%	2.5245%	2.6361%
Personal Income (in thousands) (A)	C)	\$ 4,508,452	\$ 4,311,110	\$ 4,105,555	\$ 3,953,819	\$ 3,761,199	\$ 3,453,901	\$ 3,008,764	\$ 2,594,976	\$ 2,469,465
Legal debt limit	\$ 532,105,416	\$ 457,375,730	\$ 450,086,345	\$ 284,823,669	\$ 267,985,204	\$ 230,450,847	\$ 212,795,429	\$ 202,584,127	\$ 202,017,627	\$ 183,935,010
Total net debt applicable to debt limit	<u>79,999,598</u>	<u>70,858,666</u>	<u>61,979,039</u>	<u>69,059,558</u>	<u>75,453,934</u>	<u>61,946,563</u>	<u>57,114,073</u>	<u>62,007,346</u>	<u>66,539,460</u>	<u>50,821,797</u>
Legal debt margin	<u>\$ 452,105,818</u>	<u>\$ 386,517,064</u>	<u>\$ 388,107,306</u>	<u>\$ 215,764,111</u>	<u>\$ 192,531,270</u>	<u>\$ 168,504,284</u>	<u>\$ 155,681,356</u>	<u>\$ 140,576,781</u>	<u>\$ 135,478,167</u>	<u>\$ 133,113,213</u>
Total net debt applicable as a percentage of the debt limit	15.03%	15.49%	13.77%	24.25%	28.16%	26.88%	26.84%	30.61%	32.94%	27.63%

Notes:

A) See Demographics and Personal Income Table 14

B) Source: Lafourche Parish Assessor's Office

C) Information Unavailable

**Lafourche Parish School Board
Demographics and Economic Statistics
Last Ten Fiscal Years
UNAUDITED**

Table 14

YEAR	POPULATION (A)	PERSONAL INCOME (IN THOUSANDS) (A)	PER CAPITA PERSONAL INCOME (A)	MEDIAN AGE (B)	EDUCATION ATTAINMENT, 25 YEARS AND OLDER		SCHOOL ENROLLMENT (C)	UNEMPLOYMENT RATE % (B)
					HIGH SCHOOL GRADUATES OR HIGHER (B)	4 OR MORE YEARS OF COLLEGE (B)		
2013	D)	D)	D)				14,021	4.00
2012	97,029	\$ 4,508,452	\$ 46,465				14,054	5.00
2011	96,666	4,311,110	44,598				14,551	5.00
2010	96,318	4,105,555	42,625	37	38,088	9,007	14,629	5.00
2009	94,302	3,953,819	42,205				14,822	4.00
2008	93,083	3,761,199	32,395				14,875	3.00
2007	92,713	3,453,901	37,254				14,836	3.00
2006	93,554	3,008,764	27,026				15,284	3.00
2005	92,179	2,594,976	26,659				14,901	6.00
2004	91,955	2,469,465	27,465				15,160	5.00

Notes:

- A) Population, Personal Income and Per Capita Personal Income provided by the U.S. Department of Labor and Bureau of Economic Analysis.
- B) U.S. Department of Labor for unemployment rates. U.S. Census Bureau for Median Age and Educational Information. Educational Attainment is only available every ten years.
- C) Official student count as of October 1
- D) Information not available

LAFOURCHE PARISH SCHOOL BOARD**Principal Employers****June 30, 2013****UNAUDITED****Table 15**

		ESTIMATED NUMBER OF
<u>EMPLOYER NAME</u>	<u>INDUSTRY</u>	<u>EMPLOYEES</u>
Thibodaux Regional Medical Center Hospital		1,000-4,999
John Deere Thibodaux Inc.	Farm machinery/equipmer	500-999
Nicholls State University	Schools - university	500-999
Walmart Supercenter	Department store	500-999
Bollinger Shipyards Inc.	Ship building and repairin	500-999
Crosby Tugs LLC	Boat rental and charter	500-999
Galliano Marine Service LLC	Ship building	250-499
GIS (Trand Isle Shipyard) Inc.	Oil field service	250-499
Lafourche Parish Sheriff's Office	Public safety	250-499
C-Port	Oil field service	250-499

Source: Louisiana Works, Department of Labor
reprinted from the Lafourche Parish Councils 2012 CAFR

LAFOURCHE PARISH SCHOOL BOARD
Statement of Direct, Overlapping and Underlying Bonded Debt
June 30, 2013
UNAUDITED

Table 16

NAME OF GOVERNMENT UNIT	OUTSTANDING BALANCE (1)	% ATTRIBUTABLE	SCHOOL BOARD'S SHARE OF DEBT
Direct			
Lafourche Parish School Board	\$ 101,880,000	100%	\$ 101,880,000
Overlapping and Underlying (2)			
Hospital Service District No. 1	2,153,000	100%	2,153,000
Fire Protection District No. 1	121,000	100%	121,000
Fire Protection District No. 6	1,300,000	100%	1,300,000
	<u>\$ 105,454,000</u>		<u>\$ 105,454,000</u>

(1) Includes general obligation bonds funded by unlimited ad valorem taxes

(2) Source: Official Statement for General Obligation School Bonds Series 2013

LAFOURCHE PARISH SCHOOL BOARD
Full-time-Equivalent Employees by Type
Last Ten Fiscal Years
UNAUDITED

Table 17

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
I. Regular Employees: CERTIFICATED										
A. Instructional:										
Supervising Instructors		1	3	2	1	1	1	1	1	1
Classroom Teachers - Regular Programs	695	683	716	760	762	768	778	779	779	799
Classroom Teachers - Special Education	128	134	138	135	143	140	150	168	167	193
Classroom Teachers - Vocational Education	30	46	39	41	41	42	46	46	49	54
Classroom Teachers - Other Instructional Programs		39	44	46	46	47	42	42	43	42
Classroom Teachers- Special Programs	58	67	60	68	65	58	57	56	56	58
Classroom Teachers - Adult/Continuing Ed. Programs	3	5	5	12	8	7	9	8	8	7
Classroom Teachers - ROTC Instructors	5	6	5	5	6	6	6	6	7	8
Total Classroom Teachers	919	980	1,007	1,067	1,071	1,068	1,088	1,105	1,109	1,161
Therapist/Specialist/Counselor - Instructional Programs									46	44
Sabbatical Leave - Instructional Programs			3	2	2	1	2	3	6	4
Total Certificated - Instructional Programs	919	981	1,013	1,071	1,074	1,070	1,091	1,109	1,162	1,210
B. Instructional Support:										
Supervisors - Instructional Support Functions	19	12	18	16	11	10	9	10	11	10
Librarians/Media-based Teachers/Staff Instructors - Instr. Spt.	31	49	61	66	66	62	48	50	78	79
Therapist/Specialist/Counselor - Instructional Support Functions	129	133	130	133	127	126	123	122	79	76
Sabbatical Leave - Instructional Support Functions				2						
Total Certificated - Instructional Support	179	193	209	217	204	198	180	182	168	165
C. Support Services:										
Superintendents	1	1	1	1	1	1	2	2	1	1
Assistant/Associate/Deputy Superintendents					1	1	1	1	1	1
School Principals	28	28	28	28	28	28	28	28	28	27
School Assistant Principals	29	29	31	31	32	32	32	32	33	36
Other School Administrators										
Non-Classroom Teachers - Support Services										
Sabbatical Leave - Support Services										
Total Certificated - Support Services	58	58	60	60	62	62	63	63	63	65

LAFOURCHE PARISH SCHOOL BOARD
Full-time-Equivalent Employees by Type
Last Ten Fiscal Years
UNAUDITED

Table 17

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Certificated	1,156	1,232	1,282	1,348	1,340	1,330	1,334	1,354	1,393	1,440
II. Regular Employees: NON-CERTIFICATED										
A. Instructional:										
Aide - Instructional Programs	286	306	311	350	337	328	302	316	315	320
Total Non-Certificated - Instructional Programs	286	306	311	350	337	328	302	316	315	320
B. Instructional Support:										
Supervisors - Instructional Support Functions										
Therapist/Specialist/Counselor - Instructional Support Functions				3						
Clerical/Secretarial - Instructional Support Functions	14	11	17	12	16	19	21	31	34	14
Aide - Instructional Support Functions		1					1	1	1	2
Service Worker - Instructional Support Functions										
Skilled Craftsman - Instructional Support Functions										
Degreed Professional - Instructional Support Functions	21	19	19	28						
Other Personnel - Instructional Support Functions	27	28	39	33	35	34	34	32	32	29
Total Non-Certificated - Instructional Support	62	59	75	76	51	53	56	64	67	45
C. Support Services:										
Supervisors/Managers/Administrators - Support Services	48	41	37	42	43	39	39	37	38	38
Clerical/Secretarial - Support Services	80	96	91	135	121	79	85	86	89	77
Aide - Support Services	13	14	14	15	15	13	14	14	14	13
Service Worker - Support Services	334	376	384	402	418	350	389	399	364	329
Skilled Craftsman - Support Services	31	34	39	42	43	37	39	37	27	25
Degreed Professional - Support Services	17	14	13	13	14	11	8	9	10	10
Other Personnel - Support Services	29	36	35	35	33	9	7	8	8	10
Total Non-Certificated - Support Services	552	611	613	684	687	538	581	590	550	502
Total Non-Certificated	900	976	999	1,110	1,075	919	939	970	932	867
Total Regular Employees (Certificated and Non-Certificated)	2,056	2,208	2,281	2,458	2,415	2,249	2,273	2,324	2,325	2,307

Lafourche Parish School Board
Operating Statistics
Last Ten Fiscal Years
UNAUDITED

Table 18

YEAR	SCHOOL ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL- TEACHER RATIO	PERCENTAGE OF STUDENTS RECEIVING FREE OR REDUCED MEALS
2013	14,021	\$ 144,759,224	\$ 10,324	0.6%	919	15.3	58.4%
2012	14,054	144,276,670	10,266	6.8%	980	14.3	58.2%
2011	14,551	139,849,936	9,611	-4.7%	1,007	14.4	56.3%
2010	14,629	147,490,106	10,082	2.2%	1,067	13.7	56.0%
2009	14,822	146,198,128	9,864	6.2%	1,071	13.8	55.2%
2008	14,875	138,203,445	9,291	9.6%	1,068	13.9	55.0%
2007	14,836	125,766,224	8,477	14.3%	1,088	13.6	55.2%
2006	15,284	113,357,319	7,417	-8.9%	1,105	13.8	53.6%
2005	14,901	121,387,567	8,146	10.9%	1,109	13.4	54.9%
2004	15,160	111,359,118	7,346	1.3%	1,161	13.1	54.0%

Note: School enrollment as of October 1 for non-charter schools
Teaching staff as of October 1
Free and reduced count as of October 1

LAFOURCHE PARISH SCHOOL BOARD
Capital Asset Information
UNAUDITED

Table 19

Schools	2013	2012	2011	2010	2009	2008	2007	2006
Elementary School								
Buildings	105	105	105	105	105	106	105	95
Square Feet	759,682	759,682	759,682	759,682	759,682	740,894	703,880	668,224
Bayou Blue	777	756	753	913	887	811	772	709
Bayou Boeuf	330	317	212	209	213	219	225	228
Chackbay	335	314	492	471	455	441	400	386
Cut Off	523	514	506	499	537	526	485	512
Galliano	453	446	435	432	421	433	391	405
Golden Meadow Lower	302	293	284	267	289	301	279	272
Golden Meadow Upper	222	206	223	204	202	213	254	261
W.S. Lafargue	552	540	635	604	593	557	586	598
Larose Lower	380	386	390	397	414	406	366	366
Larose Upper	297	319	333	298	299	304	340	342
Lockport Lower	471	460	429	438	432	403	380	392
Lockport Upper	334	315	317	323	357	348	345	361
Raceland Lower	447	444	453	463	472	483	423	454
Raceland Upper	329	321	356	380	398	372	387	398
St. Charles	258	281	294	259	253	258	230	310
South Thibodaux	594	568	642	626	649	607	601	636
Thibodaux	543	539	606	602	624	596	643	618
Enrollment	7,147	7,019	7,360	7,385	7,495	7,278	7,107	7,248
Middle School								
Buildings	47	47	47	47	47	47	47	43
Square Feet	512,783	512,783	512,783	512,783	512,783	512,783	455,530	381,052
East Thibodaux	355	365	327	385	411	418	397	448
Golden Meadow	372	398	396	446	457	470	480	518
Bayou Blue	475	471	485	353	335	319		
Larose Cut Off	481	516	500	500	512	532	557	582
Lockport	318	346	324	328	348	352	372	401
Raceland	332	358	339	352	327	385	670	730
Sixth Ward	278	272	282	307	302	305	286	285
West Thibodaux	452	485	447	469	444	490	506	569
Enrollment	3,063	3,211	3,100	3,140	3,136	3,271	3,268	3,533

LAFOURCHE PARISH SCHOOL BOARD
Capital Asset Information
UNAUDITED

Table 19

<u>Schools</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
High School								
Buildings	14	14	14	14	14	14	14	14
Square Feet	843,215	843,215	843,215	843,215	843,215	844,323	769,861	769,861
 South Lafourche	1,153	1,133	1,160	1,203	1,222	1,295	1,346	1,332
Central Lafourche	1,165	1,167	1,302	1,296	1,345	1,407	1,476	1,466
Thibodaux	<u>1,356</u>	<u>1,375</u>	<u>1,505</u>	<u>1,478</u>	<u>1,585</u>	<u>1,586</u>	<u>1,594</u>	<u>1,644</u>
Enrollment	<u>3,674</u>	<u>3,675</u>	<u>3,967</u>	<u>3,977</u>	<u>4,152</u>	<u>4,288</u>	<u>4,416</u>	<u>4,442</u>
 Alternative Schools								
Buildings	8	8	8	8	8	8	8	8
Square Feet	40,606	40,606	40,606	40,606	40,606	40,606	34,358	34,358
 Administrative & Warehouse								
Buildings	10	10	10	10	10	9	9	9
Square Feet	107,178	107,178	107,178	107,178	107,178	87,682	75,176	75,176

Note: This is the eighth year presentation of the usage of capital assets and eventually will be presented for ten years.

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

To the Members of the
Lafourche Parish School Board

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Lafourche Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Lafourche Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

Procedure #1:

We selected a random sample of 25 transactions and review supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

Results of Procedure # 1:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount.

Education Levels of Public School Staff (Schedule 2)

Procedure # 2

We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Results of Procedure # 2:

No differences were noted between the number of full-time classroom teachers per schedule 4 and schedule 2, or between the schedules and the October 1 payroll records.

Procedure # 3

We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule and to the school board supporting payroll records as of October 1st.

Results of Procedure # 3

No differences were noted between the number of principals and assistant principals per schedule 4 and schedule 2, or between the schedules and the October 1 payroll records.

Procedure # 4

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We will trace a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Results of Procedure # 4:

No differences were noted between the education levels of the full-time teachers, principals, and assistant principals per schedule 2 and the personnel files.

Number and Type of Public Schools (Schedule 3)

Procedure # 5

We obtained a list of schools by type as reported on the schedule. We will compare the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Results of Procedure # 5:

No differences were noted between the number of elementary schools per schedule 3 and the National School Lunch Program application.

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

Procedure #6

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and trace the same sample used in procedure 4 to the individual's personnel file and determine if the individual's experience was properly classified on the schedule.

Results of Procedure # 6:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Public School Staff Data: Average Salaries (Schedule 5)

Procedure # 7

We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's salary, extra compensation, and the full-time equivalents were properly included on the schedule.

Results of Procedure # 7:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Procedure # 8

We recalculated the average salaries and full-time equivalents reported in the schedule.

Results of Procedure # 8:

We noted no differences between the averages reported on the schedule and our calculations.

Class Size Characteristics (Schedule 6)

Procedure # 9

We obtained a list of classes by school, school type, and class size as reported on the schedule and reconcile school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determine if the class was properly classified on the schedule.

Results of Procedure # 9

In our sample of 10 classes, no discrepancies in the class size classifications were noted.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

Procedure # 10

We obtained test scores as provided by the testing authority and reconcile scores as reported by the testing authority to scores reported in the schedule by Lafourche Parish School Board.

Results of Procedure # 10:

No differences were noted.

The Graduation Exit Examination (GEE) for the 21st Century (Schedule 8)

Procedure # 11

We obtained test scores as provided by the testing authority and reconcile scores as reported by the testing authority to scores reported in the schedule by Lafourche Parish School Board.

Results of Procedure #11

This testing is no longer done by the state.

The IOWA and iLEAP Tests (Schedule 9)

Procedure # 12

We obtained test scores as provided by the testing authority and reconcile scores as reported by the testing authority to scores reported in the schedule by Lafourche Parish School Board.

Results of Procedure # 12

No differences were noted.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Lafourche Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Pastlethwaite + Nettomille

December 30, 2013

LAFOURCHE PARISH SCHOOL BOARD

Thibodaux, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance Measurement Data)

As of and for the Year Ended June 30, 2013

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

Schedule 4 - Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data: Average Salaries

This schedule includes average classroom teacher's salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - The Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 9 - The iLEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

LAFOURCHE PARISH SCHOOL BOARD
PERFORMANCE MEASUREMENT DATA

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 1

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2013

GENERAL FUND INSTRUCTIONAL EQUIPMENT AND EXPENDITURES

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom teacher salaries	\$39,088,281	
Other instructional staff salaries	5,657,099	
Employee benefits	18,468,546	
Purchased professional and technical services	661,140	
Instructional materials and supplies	1,287,066	
Instructional equipment		
Total Teacher and Student Interaction Activities		\$65,162,132

Other Instructional Activities 629,421

Pupil Support Activities	9,819,115	
Less Equipment for Pupil Support Activities		
Net Pupil Support Activities		9,819,115

Instructional staff services	3,446,156	
Less Equipment for Instructional staff services		
Net Instructional staff services		3,446,156

School administration	7,981,734	
Less Equipment for Instructional staff services		
Net Instructional staff services		7,981,734

Total General Fund Instructional Expenditures: \$87,038,558

Total General Fund Equipment Expenditures \$267,073

CERTAIN LOCAL REVENUE SOURCES

Local taxation sources:

Constitutional ad valorem tax	\$2,819,334	
Renewable ad valorem tax	19,005,473	
Debt Service ad valorem tax	11,805,247	
Up to 1% of collections by the sheriff on taxes other than school taxes	1,028,755	
Sales and use taxes	32,910,355	
Total local taxation revenue		<u>\$67,569,164</u>

Local earnings on investment in real Property:

Earnings on 16th section property	\$878,745	
Earnings from other real property		
Total local earnings on investment in real property		<u>\$878,745</u>

State revenue in lieu of taxes:

Revenue Sharing - Constitutional Tax	\$151,682	
Revenue Sharing - Other Taxes	271,068	
Revenue Sharing - Excess Portion		
Other Revenue in lieu of taxes		
Total state revenue in lieu of taxes		<u>\$422,750</u>

Non-public Textbook Revenue \$70,575

Non-public Transportation Revenue

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 2

Educational Levels of Public School Staff
As of October 1, 2012

Category	Full-time Classroom Teachers				Principals and Assistant Principals			
	Certificated		Uncertificated		Certificate		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	4							
Bachelor's Degree	684	71.2%						
Master's Degree	203	21.2%			30	52%		
Master's Degree +30	68	7.1%			24	42%		
Specialist in Education	1				2	4%		
Ph. D. or Ed. D.	2				1	2%		
Total	962	100%			57	100%		

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 3

Number and Type of Public Schools
For the Year Ending June 30, 2013

Type	Number
Elementary	18
Middle/Jr. High	8
Secondary	3
Combination	1
Total	30

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 4

Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2012

Type	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Number
Assistant Principals			2	10	6	5	6	29
Principals			1	3	10	5	9	28
Classroom teachers	75	57	269	157	162	112	130	962
Total	75	57	272	170	178	122	145	1,019

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 5

Public School Staff Data
For the Year Ended June 30, 2013

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$45,046	\$44,900
Average Classroom Teacher's Salary Excluding Extra Compensation		
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	938	928

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 6

Class Size Characteristics
As of October 1, 2012

Category	Class Size Range									
	1-20		21-26		27-33		34 or more		Total	
	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number
Elementary	12.6%	708	22.6%	1,269	1.1%	64	0.3%	17	36.7%	2,058
Elementary Activity Classes	1.7%	96	3.2%	178	0.2%	10	0.1%	4	5.1%	288
Middle/Jr. High	11.3%	632	7.7%	432	2.4%	136			21.4%	1,200
Middle/Jr. High Activity Classes	4.2%	236	0.4%	20	0.2%	13		2	4.8%	271
High	10.2%	573	6.8%	381	6.4%	357	0.1%	3	23.4%	1,314
High Activity Classes	2.4%	135	0.7%	41	0.6%	31	0.3%	15	4.0%	222
Combination	9%	249							4%	249
Combination Activity Classes		6								6
Total	51.4%	2,635	41.4%	2,321	10.9%	611	0.8%	41	99%	5,608

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 7

Louisiana Educational Assessment program (LEAP) for the 21st Century
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
Students	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 4																								
Advanced	6	68	4	49	4	38	9	99	8	87	6	54	6	63	6	69	2	15	2	17	2	26	2	23
Mastery	23	266	22	251	22	208	22	250	18	202	19	183	20	229	22	242	15	143	16	184	16	184	15	137
Basic	49	552	51	573	51	477	38	436	47	524	48	450	46	521	44	495	52	489	57	644	56	629	59	558
Approaching Basic	18	179	16	177	16	150	16	185	17	191	15	138	22	244	22	250	24	230	17	191	15	163	14	135
Unsatisfactory	6	70	7	72	7	68	15	165	10	120	12	116	6	76	6	68	7	63	8	97	11	122	10	87
Total	100	1,135	100	1,122	100	941	100	1,135	100	1,124	100	941	100	1,133	100	1,124	100	940	100	1,133	100	1,124	100	940

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2013		2012		2011		2013		2012		2011		2013		2012		2011		2013		2012		2011	
Students	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 8																								
Advanced	4	42	4	42	3	32	4	37	5	46	4	34	3	30	2	25	1	10	2	17	2	18		2
Mastery	21	208	18	178	18	168	8	75	5	51	5	51	17	166	21	212	19	178	16	150	13	127	11	104
Basic	46	457	45	453	45	429	62	610	51	517	55	527	44	422	38	383	43	407	51	483	46	467	48	459
Approaching Basic	23	225	27	275	27	260	16	159	27	270	22	208	26	252	25	258	23	222	18	174	25	250	25	243
Unsatisfactory	6	55	6	65	7	69	10	107	12	129	14	138	10	82	14	136	14	139	13	129	14	152	16	147
Total	100	987	100	1,013	100	958	100	988	100	1,013	100	958	100	952	100	1,014	100	956	100	953	100	1,014	100	955

LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Schedule 8

NOT APPLICABLE

The Graduation Exit Examination for the 21st Century (GEE21)
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts						Mathematics					
	2012		2011		2010		2012		2011		2010	
Students	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Advanced				1	1	12			8	71	11	100
Proficient	1	1	10	83	14	126			18	154	16	174
Basic	5	4	50	430	47	410	8	5	45	383	51	406
Approaching Basic	36	27	26	225	28	242	15	9	17	144	14	116
Unsatisfactory	57	42	14	117	10	86	77	47	12	104	8	81
Total	99	74	100	856	100	876	100	61	100	856	100	877

District Achievement Level Results	Science						Social Studies					
	2012		2011		2010		2012		2011		2010	
Students	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Advanced	5	38	4	34	4	19	1	10	2	14	1	2
Proficient	20	154	20	166	17	105	12	92	7	56	8	63
Basic	43	337	42	347	43	407	58	456	53	441	50	483
Approaching Basic	23	178	23	188	24	211	17	131	24	199	23	192
Unsatisfactory	10	76	11	94	12	95	12	94	14	119	18	97
Total	101	783	100	829	100	837	100	783	100	829	100	837

LAFOURCHE PARISH SCHOOL BOARD

**The iLeap Tests
For the Year Ended June 30, 2013**

iLeap Tests

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 3																								
Advanced	7	74	4	38	5	48	9	90	7	70	6	60	6	65	3	35	4	37	4	39	5	2	22	
Mastery	23	245	24	249	20	205	20	216	19	194	15	158	23	244	25	258	16	166	21	220	22	235	15	156
Basic	43	453	44	459	46	484	42	439	45	470	48	502	44	480	45	466	49	514	45	474	45	472	49	513
Approaching Basic	18	194	20	210	20	213	19	196	20	210	21	221	20	214	19	201	24	251	18	194	20	208	21	218
Unsatisfactory	9	88	8	90	9	99	10	113	9	102	10	108	7	68	8	86	7	80	12	126	13	126	13	139
Total	100	1,054	100	1,046	100	1,049	100	1,054	100	1,046	100	1,049	100	1,051	100	1,046	100	1,048	100	1,053	100	1,046	100	1,048

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 5																								
Advanced	5	44	3	25	4	42	6	55	6	55	8	84	3	34	4	34	4	38	3	27	2	20	3	27
Mastery	21	205	19	169	19	196	14	137	14	125	12	126	23	224	18	163	15	161	12	120	17	151	13	134
Basic	53	520	49	434	44	456	56	551	56	494	47	497	50	489	49	438	44	462	57	559	55	487	46	479
Approaching Basic	16	156	22	197	21	225	15	148	16	141	18	188	20	200	23	205	27	284	17	166	17	149	24	249
Unsatisfactory	5	51	7	64	12	129	9	87	8	75	15	155	4	32	6	47	10	106	11	108	9	80	14	162
Total	100	976	100	889	100	1,048	100	978	100	890	100	1,050	100	979	100	887	100	1,051	100	980	100	887	100	1,051

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 6																								
Advanced	3	27	3	28	1	11	4	38	5	57	2	22	3	27	2	22	2	18	7	62	5	50	7	65
Mastery	15	146	14	151	15	137	11	102	11	120	15	161	19	179	15	161	18	162	14	133	9	95	12	111
Basic	49	459	45	491	50	457	52	495	53	582	42	463	45	421	42	463	48	439	48	452	46	500	43	392
Approaching Basic	23	220	26	284	25	228	18	167	16	174	27	299	25	232	27	299	25	230	19	182	22	245	20	187
Unsatisfactory	10	94	12	136	9	88	15	145	15	159	14	150	8	87	14	150	7	72	12	116	18	205	18	166
Total	100	946	100	1,090	100	921	100	947	100	1,092	100	1,095	100	946	100	1,095	100	921	100	945	100	1,095	100	921

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 7																								
Advanced	6	59	3	31	3	30	4	43	7	67	6	59	3	36	3	31	3	25	1	14	3	28	1	13
Mastery	16	166	15	138	16	152	12	125	16	142	11	105	18	192	21	189	14	136	13	140	18	164	10	97
Basic	46	482	45	411	46	440	57	596	53	479	49	471	43	458	43	389	44	420	49	516	47	428	50	479
Approaching Basic	25	262	29	266	27	262	16	170	16	149	23	218	25	262	25	231	27	262	20	209	20	179	20	195
Unsatisfactory	7	82	8	66	8	79	11	119	8	75	11	110	11	109	8	73	12	121	17	178	12	114	19	180
Total	100	1,051	100	912	100	963	100	1,053	100	912	100	963	100	1,057	100	913	100	964	100	1,057	100	913	100	964

LAFOURCHE PARISH SCHOOL BOARD

**The /Leap Tests
For the Year Ended June 30, 2013**

/Leap Tests

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
Students	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 3																								
Advanced	7	74	4	38	5	48	9	90	7	70	6	60	6	65	3	35	4	37	4	39	5	2	22	
Mastery	23	245	24	249	20	205	20	218	19	194	15	158	23	244	25	258	16	168	21	220	22	235	15	158
Basic	43	453	44	459	48	484	42	439	45	470	48	502	44	460	45	466	49	514	45	474	45	472	49	513
Approaching Basic	18	194	20	210	20	213	19	198	20	210	21	221	20	214	19	201	24	251	18	194	20	208	21	218
Unsatisfactory	9	88	8	90	9	99	10	113	9	102	10	108	7	68	8	88	7	80	12	128	13	128	13	139
Total	100	1,054	100	1,048	100	1,049	100	1,054	100	1,046	100	1,049	100	1,051	100	1,046	100	1,048	100	1,053	100	1,048	100	1,048

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
Students	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 5																								
Advanced	5	44	3	25	4	42	6	55	6	55	8	84	3	34	4	34	4	38	3	27	2	20	3	27
Mastery	21	205	19	169	19	168	14	137	14	125	12	128	23	224	18	183	15	161	12	120	17	151	13	134
Basic	53	520	49	434	44	458	58	551	58	494	47	497	50	489	49	438	44	462	57	559	55	487	48	479
Approaching Basic	16	156	22	197	21	225	15	148	16	141	18	188	20	200	23	205	27	284	17	166	17	149	24	249
Unsatisfactory	5	51	7	64	12	129	9	87	8	75	15	155	4	32	6	47	10	106	11	108	9	80	14	162
Total	100	978	100	889	100	1,048	100	978	100	890	100	1,050	100	979	100	887	100	1,051	100	980	100	887	100	1,051

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
Students	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 6																								
Advanced	3	27	3	28	1	11	4	38	5	57	2	22	3	27	2	22	2	18	7	62	5	50	7	65
Mastery	15	146	14	151	15	137	11	102	11	120	15	161	19	179	15	161	18	162	14	133	9	85	12	111
Basic	49	459	45	491	50	457	52	495	53	582	42	463	45	421	42	463	48	439	48	452	48	500	43	392
Approaching Basic	23	220	26	284	25	228	18	167	16	174	27	269	25	232	27	299	25	230	18	182	22	245	20	187
Unsatisfactory	10	94	12	138	9	88	15	145	15	159	14	150	8	87	14	150	7	72	12	118	18	205	18	168
Total	100	946	100	1,090	100	921	100	847	100	1,092	100	1,095	100	948	100	1,095	100	921	100	945	100	1,095	100	921

District Achievement Level Results	English 2013		English 2012		English 2011		Mathematics 2013		Mathematics 2012		Mathematics 2011		Science 2013		Science 2012		Science 2011		Social Studies 2013		Social Studies 2012		Social Studies 2011	
Students	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Grade 7																								
Advanced	6	59	3	31	3	30	4	43	7	67	6	59	3	36	3	31	3	25	1	14	3	28	1	13
Mastery	16	166	15	138	16	152	12	125	16	142	11	105	18	192	21	189	14	136	13	140	18	164	10	87
Basic	46	482	45	411	46	440	57	596	53	479	49	471	43	458	43	389	44	420	49	518	47	428	50	479
Approaching Basic	25	262	29	266	27	262	16	170	16	149	23	218	25	262	25	231	27	262	20	209	20	179	20	195
Unsatisfactory	7	82	8	68	8	79	11	119	8	75	11	110	11	109	8	73	12	121	17	178	12	114	19	180
Total	100	1,051	100	912	100	983	100	1,053	100	912	100	983	100	1,057	100	913	100	964	100	1,057	100	913	100	964

LAFOURCHE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

FINANCIAL STATEMENT AUDIT

JUNE 30, 2013

December 30, 2013

To the Lafourche Parish School Board
Thibodaux, Louisiana

In planning and performing our audit of the financial statements of the Lafourche Parish School Board (School Board) as of and for the year ended June 30, 2013, we considered the School Board's internal controls and compliance with laws and regulations having a material effect on financial reporting and other matters in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure or on compliance.

However, during our audit, we became aware of internal control matters that represent opportunities for enhanced internal controls and compliance with laws and regulations and financial reporting. The following paragraphs summarize our comments and suggestions regarding these matters. This letter does not affect our report dated December 30, 2013 on the financial statements of the School Board.

1. Internal Service Fund Reserves

Condition: OMB Circulars A-133 (compliance supplement) and HHS publication, *A Guide for State, Local, and Indian Tribal Governments* (ASMB C-10) do not allow internal service funds which serve federal grant programs to accumulate excess reserves. The School Board's health insurance fund contains approximately \$9,500,000 of net position, which, if maintained over a period of time, might be considered excessive.

Recommendation: The School Board should monitor the net position of the health insurance fund and take steps to reduce the balance of that fund, including but not limited to reduction or non-increasing premiums paid to the fund, funding an OPEB trust, or other actions.

Management's response:

The Board will monitor the net position of the health insurance fund and take appropriate action to ensure excess funds are not maintained.

2. Valuation of Post Employment Healthcare Benefits

- Condition: The School Board is required to actuarially value its retiree health care obligation once every two years. In determining the value of the liability, the actuary must apply assumptions regarding future events and circumstances.
- Recommendation: We wish to remind the School Board of this requirement and encourage the Board's staff to re-visit the assumption used in the valuations for reasonableness and propriety for the LFPSB's demographics.

Management's response

The School Board plans to hire an actuary in 2014 to perform the OPEB valuation. The administration will work closely with the actuary to ensure appropriate assumptions are applied.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. Finally, we would also like to thank the School Board's Office staff for their cooperation with us during the performance of the audit.

This report is intended solely for the information and use of the Lafourche Parish School Board, management of the School Board and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite + Netterville